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*** Call for Continuation of Czech-Slovak Ties**

93CH0342B Prague LITERARNI NOVINY in Czech
7 Jan 93 p 14

[Appeal signed by four Czech and Slovak emigre academics: "On the Termination of Our Common State"]

[Text] The Czechoslovak Republic is breaking up. However, for the first time, this is not happening because of external impacts but because of the will of democratically elected representatives. We believe loosening these bonds is a loss, not only because this has made us renounce our legacy, which, despite all of the upheavals of the times, was far from exhausted, but it is also a loss from the European point of view. The reaction of our friends in Western Europe repeatedly confirms this: To be sure, there is recognition of a nation's desire for sovereignty after years of communist control. But there is also disappointment about the fact that the development, even in a country with the exemplary democratic tradition of Masaryk and Stefanik, is heading toward disintegration. This is counter to the spirit of Europe, which, though with great difficulty, is purposefully heading toward democratic integration.

At this moment, we are not merely looking back. We are thinking of the future of our families, churches, and nation. And, in this context, we have a major concern: Political separation must not mean spiritual and cultural separation.

From the earliest times, regardless of whether they lived in a single state or in different ones, regardless of whether they used their own or a foreign language (old Slavik, Latin), the nations of the Czechs and the Slovaks were shaped by the same spiritual currents—from the Christianity of Cyril and Methodius, via the Reformation, the Counter-Reformation, and national revival, to the idea of a common, democratic state, founded on Masaryk's humanitarian principles.

If our common state is now separating in the ideological confusion of the postcommunist atmosphere of disintegration, we Czech and Slovak university professors who have worked abroad for years believe it is necessary to emphasize that the actual political upheavals, several of which have taken place in this century, cannot and must not conceal or, indeed, tear apart that fellowship of spiritual values that has been created between our nations over thousands of years.

Even if we live in two separate states, Bohemia and Moravia must take Slovakia into consideration, and Slovakia must do the same for the Czech lands—and this must be done consistently and as a matter of course. Mutual alienation would weaken both. Culture, in the broadest sense of the term, is nourished by the heterogeneity of stimuli that complement each other. At this time, it really is a matter of a true plurality of experiences and opinions, based on the unifying foundation of historically created values. We, even as Slovaks or Czechs, should try to understand the mutual equality in the

inequality of our sometimes different historical experiences in this way. Withdrawing into a national shell would lead to restrictive nationalism and thus to cultural and spiritual degeneration.

One should draw practical conclusions from this fact. One must turn ideas into everyday trivial tasks. Even if we are being promised free contact between the two states, we believe it necessary for contact between the Czechs and the Slovaks not to remain exclusively a personal matter. The postwar Luhacovice Conferences, organized by a Czechoslovak union, could be an inspiration to us.

Radio and television broadcasts must be accessible to both (which is a matter of course technically but should also be accompanied by conscious cooperation on programs). The distribution of books and the press, very unsatisfactory even now, should be significantly improved. Our public libraries, despite their present financial difficulties, should not forget to build a resource of high-quality literature also in the language of the other nation, and they should actively disseminate it. Parallel to the accessibility of high-quality goods, let us not forget the significance of the accessibility of the free and truthful word.

Prof. Dr. Lubomir Durovic, University of Lund
Prof. Dr. Jan Petr Locher, University of Bern
Prof. Dr. Jan Milic Lochman, University of Basel
Lecturer, Dr. Dusan Simko, University of Basel

Basel, 18 December 1992

*** Deputy Minister Sees Army Transformation Problems**

93CH0374B Prague OBRANA LIDU in Czech 6 Feb 93
p 3

[Interview with First Deputy Minister of Defense Jiri Pospisil by Jan Gazdik; place and date not given: "OBRANA LIDU Interviews the First Deputy Minister of Defense, Dr. Jiri Pospisil: Breaking the Circle"]

[Text] [Gazdik] Because you are a psychologist, it seems that the personnel sector and the social affairs sector will "suit" you much better than the economic sector. Did you instigate this change?

[Pospisil] Last year, when I joined the Ministry of Defense, I had a close affinity with this sector. However, because it was expected—already at that time—that the Army would be divided, the head of the federal government, Jan Strasky, recommended me for the office of deputy minister for the economic sector.

Defense Minister Antonin Baudys offered me my present office (the Czech Republic has different regulations than the federation), and, if the truth be told, I welcomed it—I am finally transferring to my professional specialization.

[Gazdik] Mr. Baudys and you expressed some basic opinions on personnel matters—that is, on who would and who would not be suited to the Army. Could you summarize these comments to give a more complete picture?

[Pospisil] Completely independently, we concluded that we do not believe that pure "political instructors" (officially they were called representatives for political affairs) were people with appropriate military qualifications. The military qualification of an artilleryman, a pilot, an economist—even those of a person who heads a club organizing leisure time for soldiers and who is beneficial to the Army—are obvious. However, the purpose served by a representative for political affairs is totally unclear to me. The original officers—at least, as far as I know—made sure that politically unaware commanders did not go astray.

Therefore, we would like to set up a team of military experts to identify the kind of "political work" (incidentally, this included military music) that would be needed by the Army, or, to the contrary, that would be counterproductive for it. We do not intend to include among the qualifications years spent in functions that are clearly unnecessary for the Army. Therefore, if an individual did nothing but be a "culture official," this will not really concern him.

[Gazdik] It may seem rather paradoxical that, at a time when criteria for organizational and expert abilities are finally beginning to be introduced in the Army, primarily young officers and warrant officers are leaving while the older ones are staying. If this continues, in time no one will be left to command units—except for higher officers. What does this show?

[Pospisil] Not so much the deteriorating conditions in the Army as the possibilities that have opened up in civilian life. According to our studies, the internal problems in the Army that cause people to leave are ranked in fourth place on the list. In my opinion, the Army has not deteriorated; rather, it has developed in an undesirable direction for young people: With the increasing number of aging colonels and lieutenant colonels, young people's chances for promotion have decreased. That, too, is one of the reasons we agreed to fundamental changes in personnel.

[Gazdik] Though the Army is based on a defensive doctrine, and its objectives are different, they are nevertheless often achieved through former, possibly slightly, "drill-sergeant-like" methods. Therefore, isn't the fact that the young people are leaving caused by the dilettantish blunders made by their superiors?

[Pospisil] I cannot be the judge of that. The people who are leaving, as far as I know, made their decision over the past two years or more. But the conditions in our Army are just beginning to change.

The mistake was that, until recently, personnel matters were separated from the social sector: No one was able to

tell the people what their prospects were, and people were chosen for functions or schooling according to formal criteria, where personal acquaintances were frequently much more important than the quality of the professional soldier. That is the main reason that we wish to create a social personnel concept, intended to let people know what opportunities they have in the Army and what they can expect, given their educations and length of service, or how they could improve their prospects by improving their qualifications.

In the Bundeswehr, the highest officials are chosen from several candidates six years before they are to be appointed. It prepares a plan for personal growth for them and sends them for further education. Naturally, the best candidate is chosen, but that does not mean that the candidates who were eliminated are definitively written off.

[Gazdik] Apparently you noted a kind of "personnel panic," indicated not only by the requests to leave to become civilians but also by the rather shattering results of the studies done in the Kromeriz division, which you ordered because so many were leaving. It seems that the people do not have adequate information to make qualified decisions about their futures. What about that?

[Pospisil] Once a concept for the Army of the Czech Republic is established, there will be sufficient information about the prospects for soldiers. I realize that they must make their decisions now, whereas we are still working on the concept. But even free citizens must make decisions on a daily basis.

[Gazdik] But won't the best people have laid aside their uniforms in the meantime?

[Pospisil] I think it is more likely that the more hesitant individuals will leave. And, if we lose any of the very capable ones, it will only be due to the incomparably better terms that can be offered by a civilian company.

[Gazdik] How can the Army enlist young and able people? What are you using to "lure" them?

[Pospisil] We are trying to break a vicious circle. For the time being, we can offer them relatively good salaries. Admittedly, we are criticized by the public for doing that, but, if we stopped, we would not get anyone at all. Furthermore, if people stay in the Army for a certain length of time, they will have some degree of social security even after they leave.

However, a young soldier does not think about the benefits to which he will be entitled after 20 years in the Army. We would like to offer him a positive image of the soldier immediately, but that, in its turn, is affected by the quality of the older commanders who have remained in the Army. As long as they are capable, the attraction of military service to young people will increase as the picture of the Army quickly changes. Apart from that,

every high-quality army enjoys the attention of young people who join it not so much for the money as for the prestige.

[Gazdik] In developed Western countries, soldiers serve for five, 10, or even 15 years and then enter civilian life with no worries about their futures. Is this what you, too, are aiming for?

[Pospisil] I find the idea of "contract soldiers" very appealing. In fact, I believe that these people should spend a certain part of their service in elite rapid deployment divisions, possibly abroad. It is they who could help improve the Army's image, simply because their experiences would revitalize and adequately improve the quality of the training of soldiers in basic service. That has been successful everywhere around us, and I am not an advocate of "third" options.

Our concept is not much different from the Western armies' model: a specific, highly mobile part of the Army must be ready for instant deployment in any part of the Republic. Only professionals should serve in it—officers and contract soldiers. The "rest" of the Army, made up of soldiers after basic training, would be supplemented by a trained and very combat-capable core of professionals, if there were mobilization.

[Gazdik] How will education in the Army change? Will it continue to provide high school and university education, or will it gradually concentrate more on the intensive professional preparation of civilian high school and university students?

[Pospisil] I like the idea of taking over highly qualified experts from civilian life who would be trained in the necessary field in the Army within a short time (rather like a psychologist entering a hospital to become a clinical psychologist).

However, I am not enthusiastic about military general high schools, and we will not rely on them in the future. We intend to keep only a few specialized high schools and some of the fields in military universities. The only thing I am not sure about is whether there is any sense in the Army's maintaining the military medical faculty in Hradec Kralove. But, for the time being, no one will close it down. First, everything must be calculated, thought through, and modeled on a computer, so that we will know exactly what our needs and possibilities are.

A lot also depends on the viability of contracts with Slovakia. If we are able to send students to the military schools there (as we will to Western Europe), we will reduce our military schooling to a greater extent. But the contracts may not work out, and we may have to set everything up here, at home. Thus, for the time being, we are systematically decreasing the size of the "military colossus" we inherited from the Soviet martial doctrine, and we are trying not to cause too much damage. We do not have the money to set up a new army quickly. Its final form will also depend on just how calm the "European cauldron," which the Czech Republic will enter, is.

But the politicians will have the final word. They will have to state what tasks the Army will have to execute.

Therefore, we wish to have less but more differentiated military schooling. We will rely on civilian experts to a much greater extent.

[Gazdik] It seems that you wish to have soldiers without deep-rooted professional distortions.

[Pospisil] It is not only a matter of distortions. We could just as easily talk about soldiers' professional habits—and they are generally good.

Critical Study of State of 3d Mechanized Division

93CH0374C Prague REPORT in Czech 15 Jan 93 p 8

[Article by Ladislav Lenk: "A True Professional Would Quickly Turn Tail and Run"]

[Text]

Shocking Conclusions of the Study of the 3d Mechanized Division Done at the End of Last Year

The figures are almost shattering. Judge for yourselves. Thirty-nine percent of the officers and warrant officers are leaving or are preparing to go into the reserves in the near future, a further 6 percent are getting ready to transfer to other professions in the longer term, 25 percent are getting ready to leave after their terms are up or when they reach the age limit. Where did we get our data? They are the results of a questionnaire study sent to 239 professional soldiers in three units of the 3d Mechanized Division in Kromeriz at the end of last year by the employees of the Military Institute of Social Studies.

The study was done at the instigation of the former CSFR first deputy minister of defense, Dr. Jiri Pospisil, because specific social problems were significantly intensified and, above all, because a trend toward a high turnover became apparent among professional soldiers in that division, which had been extensively reorganized. Nevertheless, we believe that the results, and especially the conclusions, of that investigation are extremely topical for the nascent Army of the Czech Republic. After all, it is also probably about to face extensive structural changes and movement of people. That will undoubtedly affect the relationship of professional soldiers to military service, and the above-mentioned study indicates, to some extent, what impact is to be expected from those changes if they are not implemented in a considered and purposeful manner.

For example, let us look at the factors that have the strongest influence on the decisions of the officers and warrant officers in that division to leave. The study showed that the following are major concerns:

- The generally low standard of organizing work, affected by inadequate planning for implemented

changes within the Army, unfair evaluation, an overabundance of operational tasks, and excessive administration.

- The shortcomings issuing from the previous factor in the material and technological ensurance of the performance of services; the shortage of apartments, causing long-term separation from families; the long and irregular hours of work; inadequate conditions for training soldiers; great social insecurity intensified by insufficient information.
- Low financial remuneration for services without the possibility of running a business or obtaining an additional income in some other way.
- Low social prestige of the military profession and the possibility of putting one's abilities to better use outside the Army.
- Bad interpersonal relations, especially between superiors and subordinates, and the suppression of opinions and critique.

Interesting, isn't it? Yet the most important point is that they are all really more or less internal Army factors—in other words, problems and shortcomings that are often subjective and that can be removed. Apart from that, personal interviews with individuals who had requested to leave to enter civilian life clearly showed that they might revise their decisions if the Army were able to solve their problems in the near future. On the other hand, they are very skeptical about that point and do not believe there will be any substantial change for the better.

The state of mind of those professional soldiers and their attitude toward service in the Army may best be illustrated by the answer to the question: "What troubles you most at the present time?"

One of the answers, for example, was: "The thing that troubles me most is the continued presence of incompetent professional soldiers in high positions in the regiment and the Army, who, through their actions and way of thinking, influence professional soldiers as well as soldiers in basic training and let people with different attitudes know it. In addition, there is the extreme disorganization on all levels of military command, where planning is invalid as soon as it starts. Then there is the huge concentration of tasks with the same deadline that cannot be dealt with and the resulting financial recourse. And then there is the fact that, instead of work, one has to provide documentation to the control agencies, and we constantly have to attend meetings because of them. A true professional in a Western army would quickly turn tail and run from such an army."

A sad commentary. If we read between the lines, it seems as though we were talking to an officer serving some time at the end of the 1970's, when the notorious General Franta Vapno was in command of the Western Military Group.

What more should one add? Maybe that everyone who will be involved, in one way or another, in drafting the plan—and then the Army of the Czech Republic itself—should study the conclusions of this study thoroughly because it exposes the naked truth about conditions in the military at this time and, above all, shows what will have to be dealt with in the new Army of the Czech state and what should emphatically be expunged as a dangerous and destructive weed, capable of marring even the best designed garden.

*** Antall Pledges Center Course to MDF Liberals**

93CH0350A Budapest NEPSZABADSAG in Hungarian
21 Jan 93 pp 1, 4

[Article by A.F.Gy. and T.K.J.: "Jozsef Antall Meets MDF Liberals"]

[Text] Yesterday, leading liberal politicians of the Hungarian Democratic Forum [MDF] met with Prime Minister Jozsef Antall in parliament. At the meeting they discussed the situation following the national convention. Imre Furmann, who was not elected into the new presidium of the MDF, as well as Gyorgy Szabad (speaker of parliament), Geza Jeszenszky (foreign minister), and Peter Akos Bod (president of the Hungarian National Bank) were also present at the meeting, which was attended by more than 20 parliamentary representatives.

Istvan Elek briefed reporters on the meeting, which was held behind closed doors. He said that together with the prime minister they assessed the events at the national convention, and they were evaluated in diverse ways even within this circle; some portrayed the situation in a more pessimistic way, some in a more optimistic way. In his opinion, the first thing that became apparent from the discussion was that those who belong to the liberal circle can support Antall's centrist politics as it was formulated in the political declaration. At yesterday's meeting, there was no mention of the liberals becoming independent, of establishing a separate platform or faction. "We will talk about this separately in the future," Elek noted.

When asked how they can get along with the Csurka group, Elek answered that they support the center and they feel it is natural that in the future the unified policy will mean a very clear detachment from the politics of the radical right. They hope this practice will prevail in MDF policies concerning every issue. "This must be the case," the representative affirmed, and then added that they presented this as a definite requirement to Antall.

Elek refused to provide details of what Jozsef Antall told them in his speech, which lasted nearly two hours. He only said that the party president-prime minister shared with them his personal impressions of the national convention, but he also expressed his opinion about the political tactics used by the liberals. "He made a remark that contained criticism towards some of our statements that he felt were doctrinaire," Elek said. Regarding Csurka's behavior, Elek remarked that they look forward to developments in the coming days and weeks with curiosity.

The representative added that the prime minister does not agree with their assessment of the results of the national convention, and denies the allegation that the liberals were defeated. "The prime minister is much more optimistic than some of us," he contended.

The idea that the liberals would create their own platform or form their own faction was not discussed at the Tuesday meeting, but according to Elek they must think about it in principle.

At the meeting no one announced his intention of leaving the faction, but several people "specified various requirements." For the time being, Elek did not think it was timely to say more about this issue. When asked how Antall would react if they left, he said that the prime minister would be very sorry if a separation occurred. The expected changes in the government were not discussed at the meeting; Jozsef Antall did not advise the liberal representatives on this issue.

Representatives Jozsef Debreczeni and Jozsef Horvath unanimously told our correspondent that the situation within the MDF is not dramatic; they characterized the Tuesday meeting as a working session. At the same time, when asked whether they were planning to leave the faction or form a new group of representatives they replied, "We will have to think about that."

MDF Faction: The President Promised Firmness

Jozsef Antall promised firmness concerning the center course of the MDF at the Tuesday night meeting of the faction, which also dealt with the national convention that took place at the end of last week.

According to our sources, at the beginning of the faction meeting several people picked up where the discussion left off a few days earlier; that is to say, they attacked the liberals of the party as well as the representatives of the Csurka line. Fabian Jozsa called on Istvan Elek to acquaint them with the meeting between the liberals and the party president. Gabor Ternak pointed out that in his opinion, before the change of regime the Hungarian Socialist Workers' Party planted not only "dead mines" [also the name of a theater play by Istvan Csurka] into the parties being organized, but also live ones....

In a speech lasting more than 50 minutes, Prime Minister Jozsef Antall summarized the accomplishments of the national convention. He promised that in the future he will firmly represent the center course formulated in the political declaration, and he will take an equally firm stand against any attacks on it. The president of the Hungarian Democratic Forum also indicated that within two or three weeks he will submit his plan, which, based on the experiences of the national convention, will determine the most important tasks until the elections.

*** Problems of Privatization, Changes Discussed**

*** Opposition's Views**

93CH0376A Budapest MAGYAR NARANCS in Hungarian
21 Jan 93 p 13

[Article by Zoltan Speder: "Privatization Turns Into a Dead-End Street..."]

[Text] The government's new privatization strategy promises a dramatic change without any surprises; by downplaying the methods of market selling (which have not been the only ones employed hitherto), it wants to embark on the path of distribution that has been well established in other East European countries. This turn is not accidental: the government, which is unable to manage the tensions of the economy that is in recession and which is watching the decrease in production and employment with hesitation, albeit with financial optimism, has finally given up the idea of finding remedies for the economic woes—at least those that are within the competency of a government—within the economy. More than a year before the elections, the government—instead of truly resolving the economic tensions—is making an attempt to buy the various social strata. Now that it has failed to make significant contributions to leaving the economic crisis behind, it must at least placate or ease increasing social dissatisfaction.

In the case of privatization, the reason for the turn is the same. In trying to find the reasons for the decelerating pace of privatization, the government's new strategy is centered on the lack of demand that has arisen from a lack of accumulated capital. It does not hold over-politicizing of privatization or the contradictions in the basic principles of privatization "responsible" for the drastic devaluation of state property which is emerging partly because of delays in the process, loss of markets, increasing debts, the bankruptcy and liquidation proceedings, etc. Not to mention that the battle over authority over state property, in which the AVU [State Property Agency], AV Rt [State Ownership Corporation] and, more recently, the treasury are also taking part, and the extreme uncertainty that is caused by investors and companies, do not hasten privatization either.

In terms of the government's short-term interests, keeping quiet about the real reasons has some justifications: for what stands behind the slogans of accelerating privatization is not the intention of limiting the state's role, of accelerating the development of an efficient ownership structure, or of the economy's adaptation to supply, but rather the extensive development of a system of clientele and the partial appeasement of society that is dissatisfied with the government's economic policy. The implementation of this strategic turn is not only expensive but also dangerous for the country. The illusion of "everyone is an owner," created by the government and supported by the SZDSZ [Alliance of Free Democrats] and the MSZP [Hungarian Socialist Party], will defer precisely the economic turn which would provide the masses not merely an illusion of owning property but employment that would mean a stable livelihood and guaranteed subsistence. Why?

Capping compensation—i.e., dispensation that is hallmarked by giving property to local governments and churches, selling stocks to workers at lower prices, and providing local social security authorities with assets—with privatization leasing and credit vouchers and bills of credit will bring us another detour that may easily end

in a dead-end street instead of an efficient ownership structure that spurs the allocation of capital.

Despite its publicized intentions, compensation was nothing but a temporary increase in the incomes of those increasingly impoverished social groups which were involved in it, and resulted in a concentration of capital—albeit with a small detour—instead of providing mass ownership.

In part because of a lack of resources and in part because of the unsuitability of their organizational bureaucracy akin to that of state administration, local governments and churches are incapable of functioning as real owners. In many instances, these are precisely the institutions which, because of their interest in short-term and rapid revenues stand in opposition with strategically oriented owners.

Fortunately, we have managed so far to avoid any contradiction in social security ownership, because the National Social Security Office (OTF) has been incapable even of setting up an organizational unit for asset management or of working out a workable asset policy.

We could continue the list with new owners created through privatization leasing, credit vouchers, and bills of credit. When an owner acquires his property free of charge (as a gift) instead of buying (acquiring) it, and when he does not risk his own capital in the course of the acquisition, he will, more often than not, turn out to be a bad owner, regardless of whether he is a private individual or an institution. The goal of these new methods of privatization is to turn precisely those members of society into owners who—because of the lack of their own capital and/or expertise—would be unable to participate in the process of privatization or who are experiencing the bitter state of unemployment for the first time.

However, the Hungarian state and the Hungarian Government cannot offer anything to these groups in privatization but vouchers for parts of state property that have lost their markets, are deeply in debt, or are struggling with problems of organization and management. For this reason, the miracle weapon of the credit voucher and the bill of credit will not work from the aspect of privatization. These new owners who have been put—or, rather, forced—by the state into the position of owners will be unable to acquire new markets and supplementary capital for the "transferred" company or to implement a restructuring of its organization and product line. True, the government's most recent version does not reckon with this, for the wave of new owners created by the credit vouchers may not acquire more than a 49-percent share—at least in the larger firms. In other words, the emperor is definitely naked: The government itself does not believe in an ownership structure anymore that is dominated by numerous "small" natural persons, the Hungarian small businessman. It is afraid of a structure that is necessarily over-diversified by the new techniques, of their becoming inflexible, and of the prospect

that these small businessmen, driven by their own short-term interests, will strive to get as much, and as rapidly, out of these companies as possible instead of trying to improve them. This fear is justified, for those whose everyday bread is at risk, will concentrate on their own problems, not on the problems of others. Of course, the 49-percent limit will not only eliminate the possibility for this attitude to constitute a majority but will also deter the serious professional investor to invest capital.

The government strategy includes a few special measures to reduce the potential danger of the new owners created by the state. While regulations regarding credit vouchers disallow the circulation of credit vouchers (by making them nontransferable) and strive to make certain—through a system of liens—that its set objectives (the mass ownership of Hungarian and natural persons) will be implemented, it wants, in a paradoxical way, to limit the amount of the debt that is pushed off onto private citizens through setting the exchange rate precisely of the nontransferable vouchers and through leaving the door open to the possibility of eliminating potentially unwanted small businessmen. Thus, a discreet attractiveness of the privatization credit voucher is the transfer of property in exchange for indebtedness and the fact that the property turns free the moment the “market” exchange rate set by the government reaches zero in the country’s 3,200 post offices.

The situation is not much better in the case of privatization leasing. A characteristic element of this setup is that the State Property Agency’s attempt to transfer such state-owned enterprises to private companies (through cash payments and subsistence credits) has become abortive. Another characteristic element is that it provides possibilities of financing to (potential) managers who have no capital but do have ideas on restructuring and managing these companies. The situation is clear: Even those large segments of society which would like to become managers but cannot qualify even for the beneficial subsistence credit must be given a chance. If they have been unable until now to help themselves and if the enterprise-friendly environment has not been impelling enough for them to become entrepreneurs, then the state now will provide the necessary thrust. Privatization leasing also “includes” everything:

- the multiplying of bankruptcy and liquidation processes,
- the acceleration of the loss of state property,
- the accumulation of bankrupt estates much worse than the present one,
- and the fact that society must pay for these “games of enterprise” in the form of higher taxes and a lower standard of living.

And, finally, the new strategy of privatization “includes” the necessity of beginning completely anew. For this strategy of privatization, through eliciting false illusions and through leaving the actual problems unsolved, will

“merely” fail in developing a healthy ownership structure in the economy, i.e., in creating the conditions for growth.

* Government Discord

93CH0376B Budapest FIGYELO in Hungarian
7 Jan 93 p 11

[Editorial by Gy.V.: “Manufacturing Owners: Counter-government Within the Government?”]

[Text] I was surprised and was put at ease by the fact that Bela Kadar and Mihaly Kupa, the government’s two economic ministers, oppose the acceleration of privatizing state property through credit vouchers and bills of credit. The news surprised me because a criticism of a strategically important government decision is at issue. And it put me at ease because both critics have a solid professional reputation and one of them is also chief of the economic cabinet.

Months ago, when it was still an idea, FIGYELO raised objection against this economically irrational and socially unjust method of “manufacturing” owners that would hinder the process of modernization. Unfortunately, in this matter, which has strategic significance from the aspect of creating a market economy, the government seems to abandon its earlier correct view of privatization of state property for equal exchange. Presumably because of political and power considerations and a short-term strengthening of its position, the government wants to embark on a road that actually leads away from the unfolding of a market environment and from the development of forms of ownership that would ensure the operation of former state property.

It is noteworthy that this time, and perhaps for the first time, two members of the administration, with quite different styles and views on economic policy, have arrived at a common platform, publicly criticizing a strategic government decision. It is still too early to determine whether the stance of the two nonpartisan ministers on the issue of privatization is a permanent professional alliance or merely an accidental coincidence of manifestations arising from professional conviction. We will soon find out.

* Changes in Methods

93CH0376C Budapest FIGYELO in Hungarian
14 Jan 93 p 9

[Article by T.K.: “Change in Direction: About Face? The Strategists Privatize; The Most Recent Government Plans for Privatization Have Set the Leading Economists Against Each Other—Within the Government”]

[Text] It is professionally unsound, it is impossible to implement in practice, and the artificial creation of owners cannot be justified in economic terms—this is the joint opinion of Ministers Bela Kadar and Mihaly Kupa on the new strategy of privatization that was

approved at the government's 10 December cabinet meeting together with the decision that the details of the new strategy are to be worked out during the first quarter of 1993. Last fall the basic concept was put together by Minister Tamas Szabo's team (FIGYELO, 1992/41-42), and the two new means of privatization—the concepts of the credit voucher and the bill of credit—have elicited much debate since then. According to the first foreign (German press) opinion on this new strategy, its implementation would mean a setback in Hungarian privatization.

For the time being, what we have found out about the bills needed for the new strategy was that Tamas Szabo's cabinet has not abandoned their preparation despite opposition within the government. Officials of the Finance Ministry and Justice Ministry—the portfolios involved as consultants—have not yet received any material for interportfolio reconciliation. According to the opinion of a member of Tamas Szabo's group who wished not to be identified, the real reason for the finance minister's rejection is not so much the line of thought he presented in a recent press communication but rather the fact that the introduction of the credit voucher could melt away personal savings which are considered the solid hinterland of the budget. Supporters of the credit voucher think that it could even be introduced through a mere government order.

According to information received from this same circle, the MDF [Hungarian Democratic Forum] may have the last word on privatization at its imminent national convention. We learned, however, that MDF leaders think that it should be up to the government, and not a party forum, to decide on concrete economic policies. The promise to increase the chances of Hungarian small investors was received favorably within the MDF; however, the distance between Tamas Szabo, who made the promise, and the prime minister has increased ever since our well-known playwright made the remark about Jozsef Antall's succession.

[Box, p 9]

Credit Voucher, Bill of Credit

The government's program proposal on the transfer of state property into private hands was worked out by September 1992 by the so-called "Strategic Privatization Work Team," which operates under the leadership of the minister without portfolio who supervises privatization; this served as the basis for the government's statement at last year's end on the renewal of privatization. It was this proposal in which the much-debated credit voucher and bill of credit, the two means of increasing demand, appeared for the first time.

Proposal for the credit voucher:

—It is a means to help "the widest segments of society" to acquire property;

—It can mobilize internal cash savings;

—It is unthinkable to issue it free;

—Installment payment conditions will be more favorable than for any previous credit;

—The user's personal assets cannot serve as a guarantee for its use.

According to the concept that became known this past January, private citizens could obtain vouchers at a nominal value of 1 million forints at 1-percent interest and with more favorable installment payments than those of subsistence credit.

Proposal for the bill of credit:

—It is a means of privatization to help "major investors become major entrepreneurs";

—The bill can supplement cash offers listed in concrete business plans;

—A basic principle is that requests for bills involving higher cash offers have priority over requests involving lower cash offers;

—Issuance is preceded by a credit check.

* Reburial of Horthy's Ashes in Hungary Planned

93CH0350B Budapest NEPSZABADSAG in Hungarian
21 Jan 93 p 1

[Unattributed article: "Horthy's Ashes Return Home; Reburial in Kenderes in September"]

[Text] According to the Calvinist pastor of Kenderes, the reburial of Miklos Horthy and his wife, who were laid to rest in the English military cemetery of Lisbon, Portugal, will take place in an ecumenical service in Kenderes on 4 September.

The event, which was intended to have an atmosphere of intimacy, is already attracting much attention. Letters and telephone calls arrive almost daily in Kenderes, and some people already want to reserve seats in the local Calvinist church. As Calvinist pastor Pal Szalay told our correspondent, the blueprint of the church's script for the reburial, which is planned for the first Saturday of September, has already been completed under the direction of Calvinist Bishop Elemer Kocsis. The eulogy for the governor and his wife will be given at the memorial for the heroes of World War I, and their remains will be interred in the ancient family tomb. Because Miklos Horthy was a Calvinist and his wife a Catholic, the service will be ecumenical, with the participation of high church dignitaries. According to the original plans, the eulogy was to take place in the Calvinist church, but the plans were changed because a great turnout is expected.

The mayoral office of Kenderes was not yet aware of the concrete date.

*** Conference on Regional Cooperation With NATO**

93EP0173A Warsaw RZECZPOSPOLITA in Polish
26 Jan 93 p 7

[Article by Katarzyna Kolodziejczyk: "Cautious NATO Plans: The Security of the Postcommunist Countries"]

[Text] A Poland covered by security guarantees through our admission to NATO and the European Communities—such, in a nutshell, is the Polish doctrine on security as represented by Robert Mroziewicz, deputy minister of foreign affairs, at the Conference on Regional Cooperation in Central Europe and the Role of NATO and the Institutions Cooperating With NATO.

The two-day (25 and 26 January) session at the Palace of the Ministry of Foreign Affairs on Foksal Street in Warsaw was organized by the Polish Institute for International Affairs in cooperation with the Ministry of Foreign Affairs (Planning and Analysis Department) and the Ministry of National Defense (Department for Strategic Studies). The conference is sponsored by NATO (Information Bureau).

The two-day deliberations are being attended by civilian and military experts from the Central and East European region—that is, from Lithuania, Russia, Belarus, Ukraine, Slovakia, Hungary, Romania, Bulgaria, and Poland—along with NATO representatives. The purpose of the conference is to present views on the current status of the cooperation with NATO and among the region's countries on security matters.

On the first day of the conference, the experts focused their attention on such problems as new defense doctrines in our region, the national interests of discrete countries and the question of regional security, an analysis of the role of the North Atlantic Cooperation Council, and the future of the countries of the Visegrad Group [Poland, Czech Republic, Slovakia, Hungary] and their cooperation with NATO on security matters.

There is no doubt that both the role and the problem of cooperation among the already existing numerous organizations and institutions that, by assumption, are concerned with, among other things, the preservation of security and the prevention of conflicts (the Conference on Security and Cooperation in Europe, the Western European Union [WEU], the United Nations, or, precisely, NATO and the North Atlantic Cooperation Council) complicate instead of facilitating discussion of the current state of security in our region, as ensues from the discussions, reaching a consensus among the parties involved. Thus, although the aim of the individual countries is the same—for who does not want an explicit and reliable system guaranteeing his own security?—the differences in the positions taken by the individual sides participating in the conference became fairly obvious.

Such countries as Poland, the Czech Republic, and Hungary link their security to close cooperation with

NATO and to becoming full members of that organization as soon as possible. But the NATO representatives from Brussels present at the conference admitted that growing problems within the North Atlantic alliance prevent giving the expected and clear answer to that question. Thus, one of the problems Brussels would have to resolve is determining the explicit criteria—not military but political, one expert emphasized—that would have to be met by the postcommunist countries applying for membership. "It is uncertain whether any member of NATO other than the United States might be willing to comment on the formula of broadening NATO's membership," a Canadian representative declared. On the other hand, a Spanish expert said bluntly that the WEU offers the best chance to the Central European countries, and that the countries of our region should chiefly focus on applying for membership in that organization.

The position taken by a Russian representative on Poland's eventual membership in NATO was interesting. There was no direct answer given to the question, but the conference participants were told that NATO is of a merely local nature, whereas the security system should be of a more universal nature, precisely such as that of the CSCE, an organization that optimally meets the security needs of our region. A reminder: Russia at present engages in extensive cooperation with NATO; for example, Russian soldiers are being trained at the schools of that organization.

Differences in positions also became emphasized in the comments of a representative of the Czech Republic. He pointed to the moral and historical obligations of the West and its institutions to the countries that are, with difficulty, building the system of parliamentary democracy and facing problems in introducing the market economy. He stressed the inadequate response of the West to the new perils arising in our region that may cause events to unfold as they currently are in Yugoslavia. In addition to the upsurge of nationalism, he mentioned the lack of economic and ecological security, above all the danger of the growing and increasingly better organized criminal mafias in our region. In the opinion of the Czech representative, those mafia could, within a few years, turn our region into something resembling such Latin American countries as Colombia and Peru, where prospects for stability have been absent for years.

At the same time, the Czech representative voiced considerable skepticism about regional cooperation among the countries of the Visegrad Group as well as about the Central European Initiative. To be sure, he did not deny the advantages of cooperation among the countries of our region, but within the framework of bilateral relations. "We all have the same goal: to become formally linked to Western institutions as soon as possible. And, if that is so, what is the purpose of Central European initiatives?" he told RZECZPOSPOLITA. In the opinion of the conference participants, it is not certain whether both Prime Minister Vaclav Klaus and the

Czech expert present at the conference might not change their position on those issues.

The Warsaw conference was conceived as yet another step on the road of admission of the postcommunist countries to NATO membership. The course of the discussions is demonstrating that it can accomplish its purpose if it is assumed that the differences in views are a good beginning for clearing up the grounds on which the rapprochement is to take place.

* Government Coalition Gains New Support in Sejm

93EP0169B Warsaw *POLITYKA* in Polish No 5,
30 Jan 93 pp 1, 11

[Article by Janina Paradowska: "Shortcuts: The Coalition Has Decided To Govern"]

[Text] Much indicates that, after six months of the existence of the governing coalition, called the "seven," the process of the members shifting within the coalition from opposition to coalition is beginning. Something of a return of the wayward sons to the family hearth. In this way, there is a chance the government will again have the parliamentary support that, from time to time, is useful in governing.

The shift of the particular parties to opposition was a process distributed over time. It was accompanied by spectacular gestures or quiet, private discussions. It depended on the temperament and character of the groups for which it was convenient at the time to be in opposition, while remaining in the coalition. For some time, sitting astride the barricade has been a favorite pastime of a portion of our political class. Experience shows that, in our conditions, it is a fairly comfortable and very effective position.

A Dispute With Yourself

The peasants moved into opposition in the most spectacular manner—the ones in the Peasant Accord (PL). As usual, when the peasants do something, they do it in a picturesque and decisive manner. Decisiveness can be shown by blocking, for example, the border crossings, and it was only a short step to that. The coalition peasants moved into opposition under the slogan "The government has no agricultural policy." As is known, the head of Peasant Accord (PL) is responsible for agricultural policy. Being in opposition to yourself has a certain tradition in our democracy, and one should trace its development with interest.

The Democratic Union (UD) moved into opposition (from time to time) in a more discrete manner, although it also pounded the table over the discussion of the framework of the socioeconomic policy. In general, the Union objected when the issues concerned the budget sphere. Management in this sphere, the Union assigned to the Christian National Union (ZChN) in the pact,

thus wanted to negotiate something and repair its "image" when it came to finances.

The Polish Convention (KP) did not have the boldness of the liberals, who, as a bloc, raised their hands against the Senate proposals to increase taxes on goods and services (a proposal with the government's approval), but Aleksander Hall, one of the creators of the current coalition, has many difficulties with satisfying his own ranks, in which the thought has even appeared that it is time to move into opposition against the government, which is drifting to the left.

The revolt of the liberals, who, as was quickly calculated, is to cost the budget about 7 trillion zlotys [Z] (it is interesting that only the liberals received such bills, but no one attempted to issue them to the Union or to the peasants), became the high moment in the move of coalition groups into opposition. The possible budget deficit began to approach Z20 trillion, which put a question mark behind the sense of further debates on the budget law in its current shape, and also behind the sense of continuing the government.

Checking the Lists

In this situation, the coalition decided it must do something with itself. There were only two ways out: either to dissolve or to leave opposition to the opposition and return to the situation tested in countries more advanced than Poland is in democratic practices. The second was chosen (giving up power is not pleasant, and the fact that there is no one to whom to give it is an additional complication) and, after six months, the coalition again decided to be a governing coalition. It also decided to change the style of the coalition. Initially parliamentary.

The previous style aroused many reservations. According to the fairly agreeable declarations, the parliamentary coalition consisted chiefly of discussing the order of deliberations in coming sessions of the Sejm. That was done more or less as follows: A meeting of the "seven" was called, at which the minister responsible for government contacts with the parliament began to attend (much praised by all for his tact and personality), and the participants in the coalition were acquainted with the order of deliberations, which the majority, in general, knew, because the deputies receive Sejm documents in the mailboxes.

None of my sources remembered a meeting at which some important substantive decision was made. One remembered that rails were discussed, another that the list of attendance was checked several times, another that the Union picked on the liberals for being absent during votes, and the liberals on the Union for not only not supporting their review law but also for demonstratively washing their hands of it. It was also remembered that recently there was supposed to have been an unusually important meeting on privatization because the prime minister wrote a letter to the Sejm marshall to examine general privatization as a pressing issue. Even Deputy Premier Gorzyszewski was supposed to come, but

he did not because he was opening a session of some council. Thus, Minister Lewandowski remained on the field of battle, and he, in any case, could not find out what positions the coalition members held on the issue. Not everyone must know privatization, and there were no club positions. One should not be surprised that meetings of the seven were increasingly attended by whichever representatives of the particular parties happened to be at hand and that the leaders did not bother with boring meetings.

A Lack of Warm Words

Questions about the operation of the coalition had been raised for some time; it had even been proposed to call one or another of its councils a body for coordination on the most important issues. Such ideas appeared at the most dramatic moments, but everything usually ended at press conferences, which were held jointly by Deputy Geremek and Deputy Niesiolowski for the purpose of documenting with a photograph the fact that the coalition still existed. This situation began to worry even the opposition. In the opposition, there is a lot of competition, and the government-coalition opposition, which was increasing the competition, was not welcome. Deputy Aleksander Malachowski publicly lamented the fate of an opposition deputy who had to fight in the Commission for Culture for several hours to support a government proposal against representatives of the government coalition who want something completely different from the government.

In general, I would say that, for many months, I have not met a progovernment politician who spoke well of the government (only expressions of sympathy for the prime minister are required) and who would say even a single warm word about the coalition, which, even for Poland, where, in general, nothing satisfies anyone, is an unusually abnormal situation. And the government announced that it wants decrees, and again it did it in a truly coalition style. The Council of Ministers announced that it wants decrees and that the matter has been agreed on with the heads of the parliamentary clubs. The next day, declarations from the heads of those clubs started to come in, saying that they had learned of the matter from the mass media. The whole affair can be viewed from the brighter side; they could have learned only after taking their copies of the proposed law out of their Sejm mailboxes. Given the coalition practices, so far, that would not be too surprising. In any case, the revolt of the liberals and the decree false start caused a breakthrough in the coalition. At the next meeting of the Council of Ministers, besides the president, representatives of the parliamentary clubs were present. An open sign that we again have a coalition was the unprecedented fact that, during the last Sejm debate on reason of state, Deputy Bronislaw Geremek appeared in the name of the entire "seven." To be sure, Deputy Krzysztof Krol attempted to undermine that closing of ranks by suspecting that it happened only because no one else would have been able

to lay out reason of state in the five minutes available for the speech. But that was an example of open opposition spitefulness.

A Loose Federation of Ministries

The breakthrough in the coalition is, unfortunately, not accompanied by a breakthrough in the government. To be sure, the report from Minister J.M. Rokita that the "Council of Ministers has great ability to overcome its own internal difficulties" is very encouraging, but that opinion has not yet been converted into an ability to overcome problems associated with governing the country. If someone now points out to me that the government has survived two great waves of strikes, I will answer that I recognize the great negotiating ability of the current Cabinet but that I think it is too little for effective government. My conviction is confirmed by the various coalition politicians' statements that the government "is drifting," continues, but is not governing, that it is a federation, a loose one of various ministries, and that, in spite of the passage of time, the work does not hold together.

That it does not hold together we have written many times, and there would be no reason to return to the matter except for the fact that the government has decided to ask for the right to issue decrees with the force of law and that, on a very broad front—from economic issues to the basic restructuring of the state. Just the list of problems the government wants to regulate with decrees covers two pages of close type, and the justification a dozen or so pages. How many and which legal acts would be adopted in this way is not known. The head of the Office of the Council of Ministers has given assurances that, at present, several dozen laws are being prepared. Meanwhile, only about 20 government proposals are awaiting action in the Sejm. Thus, one cannot say that the parliament presents a particular bottleneck and that the Sejm is not keeping up. It even happens that it is ahead. Several weeks ago, for example, a deputy-sponsored proposed law restructuring the Polish State Railways was introduced (during the discussion everyone agreed that it is interesting and innovative), and now the commissions are waiting for the appropriate government presentations, which somehow cannot get born. Thus, claims that the reforms are being held up only by the inability of the Sejm are not true. They are being held up by the inability of both branches—the legislative and the executive—and also because of the fairly low quality of the government presentations, which, in turn, reach deliberations in the very unprofessional Sejm commissions. And so the circle closes.

Will things be better with decrees? In part, better. It has been known for three years that, in a country the size of Poland, in which so much has to be changed, one cannot govern with one legal act or law. The paradox is, however, that the only government that could have gained the right to issue decrees with the force of law fairly easily (including reasons of broad support in society) was the government of Tadeusz Mazowiecki. He rejected the

very idea of reaching for decrees. J.K. Bielecki had no chance because he could receive it only by a change of the Constitution, which required two-thirds of the votes in the Sejm. He was not able to do so. Now the Small Constitution has changed the situation. If, in the course of the next several weeks, the government coalition does not again move into opposition, the appropriate law will certainly receive the required number of votes (half plus one). The right to issue decrees will go to a government whose makeup and program arouse doubts even among the members of the coalition and that faces a more active opposition than any other Cabinet.

Change Position

Giving the government the right to issue decrees and the possible adoption of the budget would change the political situation of H. Suchocka's Cabinet in a fairly basic way. It would be partly independent of the parliament (and thus also of its own unstable coalition), and closely joined to the Belweder (a decree with the force of law requires the signature of the president). It seems that it was precisely the desire to change the political position that, in effect, would obviously strengthen the executive power that was the chief impulse for seeking the right to issue decrees now, after quieting the wave of strikes. It is a follow-up punch. Substantively, the government does not appear prepared to receive such broad authority. If it were otherwise, it would surely present not only a list of wishes, but also specific proposals for legal acts or even plans for changes in some areas. Meanwhile, Minister J.M. Rokita, asked, for example, about the reform of the center bodies of the state and of government administration, answered fairly enigmatically that Minister M. Kulesza is preparing the proposal without betraying the direction of that work, although it is difficult to call it particularly secret. The appropriate proposals for reforming the central administration, especially the Office of the Council of Ministers and the Ministry of Internal Affairs, were sent to the Sejm by J.K. Bielecki's government, and all of the current ideas do not really go beyond those proposals. Gunpowder will not be invented here; it suffices to dust them off, look at what has already been done, and possibly improve them.

Consensus or Negotiation

Fear is aroused not only because the government has presented a list of wishes but also because it has not presented specific plans. Fear is also aroused by the known plans. I will list only the bold ideas of the minister of agriculture to establish equalization fees for imported food. That issue could be regulated in the end by a decree with the force of law. That would mean that, as a result of negotiations and pressure (and Minister Janowski, it is reported, knows how to force implementation of his ideas on the Council of Ministers), a proposal will go through that, besides being economic nonsense, is accused of exceptional legislative faults. Because the minister of agriculture has a number of attractive ideas, one can only hope that Providence takes us in its care and that the minister, according to his most recent

statements, finally takes action on his ambitious demands, as, for example, a change in the program of action of the FAO [Food and Agriculture Organization of the United Nations]. A large international organization has a greater chance of surviving various experiments than do the poor Polish consumers. I am also not certain whether I would give the right to issue decrees to the heads of some other ministries, led by the Ministry of Environmental Protection, underestimated for its ability to arouse public opinion, even adopted on the basis of consensus (read—political negotiations) by the entire Council of Ministers and even if the prime minister herself bore responsibility.

After the Small Constitution was adopted and went into effect, it became obvious that we would come to decrees in the end. I imagined, however, that the path to them would be different. First would come putting in order the problems within the coalition, primarily reaching an understanding on economic policy, and then a review of the membership of the Council of Ministers. It has been announced by the prime minister and, until now, has not been done, although rumors of changes appear from time to time. It appears, however, that personnel changes without basic negotiations on the subject of a new determination of party parities will not really change anything. As can be seen, some coalition partners simply have no competent politicians for positions. And, finally, that there would be a clarification for parliament and the public on how the implementation of the so-called government priorities (including the preparation of appropriate legal acts) is proceeding, and then, finally, would come the right to issue decrees. Then I could say that we are finally building something right, from the foundations, and not, as usual, by first putting up the rafters. Unfortunately, it appears that the rafters are the most important, which, as a supporter of strengthening the executive power and decrees, I write with genuine regret.

* Conservative Party Urges Support for Government

93EP0170A Warsaw RZECZPOSPOLITA in Polish
22 Jan 93 p 2

[Article by Aleksander Hall, Conservative Party leader: "The Government and the Coalition"]

[Text] Hanna Suchocka's government has been in power for more than a year and a half now, and this period has demonstrated the wisdom of the decision to bring together a broad coalition of groups coming out of the Solidarity movement. The predictions that the coalition would be derailed by differences in ideology and world outlook have proved to be false. The shared responsibility for running state affairs has allowed the coalition to overcome difficulties, and there are many signs that even the most difficult problem of legislation permitting abortion will be resolved. The government has lasted through two waves of strikes, in which postcommunist forces and the KPN [Confederation for an Independent

Poland) were hoping for great social protests that would sweep the Suchocka government from power.

Prime Minister Suchocka has gained considerable public confidence. Amid worsening conflicts and scandals that make political life and politicians repugnant, she is distinguishing herself by serious treatment of the obligations she has assumed, by solidarity, and by peace and calm, which Polish society so badly needs.

There is no doubt that the government wants to reform Poland and that it is correctly setting the goals of foreign policy.

It is also certain that the present government coalition has no alternative in the present Sejm, although, in an extremely unfavorable situation, it could create within the Sejm a numerically small, short-lasting majority for one, from the left to the extreme right. For this reason, the present coalition must endure, if parliamentary governments are to be maintained during this term of the Sejm.

The alternative would be either presidential government or accelerated parliamentary elections. The first possibility involves considerable risk, given the two years we have had to observe Lech Walesa as president. What sort of road would the president choose? I doubt that many observers of Polish politics would be willing to risk trying to predict. One thing, however, is certain: Past experience shows that Lech Walesa needs hard, loyal partners, and his leadership needs to be counterbalanced by the existence of other democratic institutions. To put all of the power into President Walesa's hands would make it easier for him to maintain his self-satisfied attitude and would relieve him of the necessity of critically thinking through the way he executes the duties of his office. This is essential if the office of president is to be strong not only in terms of the description in the Constitution but also in terms of the moral and political authority of the person holding that office.

Accelerated parliamentary elections may become necessary, but only when and if the present Sejm proves unable to stabilize a government majority. Elections would be a bad solution, though. The country cannot be constantly going through election campaigning. Democratic institutions and economic reforms require stability and need time for the public to notice the results of the way they function.

An analysis of the political situation therefore leads me to decisive support for solutions making it possible for the present government and the coalition supporting it to stabilize, but this in no way means that the government camp does not merit criticism. On the contrary, such criticism is essential to avoid shortcomings that could lead to permanent failure. I am chiefly concerned by the following three issues:

1. Lack of Sufficient Cohesiveness

This shortcoming can be explained to some extent by the fact that the government is a coalition, but sometimes, too, the challenges the government faces are so difficult as to require consistent, cohesive direction of the government's affairs. The government's practical actions clearly do not reflect the vision for reforming Poland presented in the prime minister's platform expose laid out in October, especially in critical situations, such as the miners' strike in December. The government did not speak with a single voice at that time, and one might gain the impression that the experts' policy did not form a logical whole. If this trend is maintained, there is the risk of losing moral authority and the ability to govern during crises.

2. Party Special Interests

Because the government is a coalition, it is necessary to maintain the basic ratios among the forces forming the government camp. Nonetheless, we must not adopt the absurd principal that the party key can reach deep into the structure of state agencies, sometimes severely violating the policy of jurisdiction. At the present time, this trend is unfortunately very noticeable. The political parties are an essential component of the democratic system, but, if they treat the state mainly as a means of building up the influence of their own party machines, they will bring about a reaction that sometimes turns against the democratic system, which always makes state institutions efficient and effective.

3. To a considerable extent, the above-mentioned shortcomings have led to an excessive tendency to compromise existing reality. This attitude is also partly the result of social attitudes and the balance of power in the parliament. For three years, the reform has undoubtedly been causing increased resistance to the rules of a market economy and nostalgia for socialist labor relations and social privileges that allowed people to be passive and freed them from any responsibility for the future of Poland or for their own future. The opposition, which lacks cohesiveness and is internally at odds, has half the votes in the Sejm and makes it difficult to wage any courageous policy. The government must do more than merely endure. It must change Poland in an energetic way. The excessive caution in facing organized interest groups desiring to maintain the past economic structure and social relations must be disturbing to a person in the right wing. By giving the trade unions a say in defining government policy, we run a grave risk of slowing down the program to move away from real socialism. Justified concern for balancing the budget should lead to vigorous reform of budget-drafting principles and the budget sphere and to energetic privatization of the economy, not to increased tax burdens that hit both the productive middle class and the sector of the Polish economy that will be decisive in getting out of the recession and creating new jobs. The first years of building the new structure in Poland have affirmed the free market, civil liberties, the transfer of jurisdiction and authority, and

reductions in the state's omnipotence. There has not always been consistent follow-through here. Today the fashion is changing: The invisible hand of the market is stirring fears, and deep intervention is expected from the state. It seems that, within the government itself, there is a tendency to comply with this desire, thereby solidifying nationalized institutions and centralized government control.

Giving the government the right to issue directives with the force of law would strengthen the government's position, but it should be used to come up with a program of reforms that will bring Poland closer to democratic capitalism and efficient government. If this happens, Prime Minister Suchocka will have everything she needs to become a natural leader of a political camp that will extend beyond the old divisions.

* Privatization in Light of Financial Indicators

93EP0172A Warsaw ZYCIE GOSPODARCZE in Polish No 4, 24 Jan 93 p 5

[Article by Janusz M. Dabrowski, deputy director of the Institute for the Study of Market Economics: "Why Are the Indicators Falling?"]

[Text] *The financial status and the economic condition of privatized enterprises was and is very differentiated. On the one hand, it is the result of the natural differences in economic returns obtained by particular firms and, on the other, a firm's place on a given course of privatization derives, in large measure, from its financial condition.*

But, although the above statement is obvious and does not require substantiation, the changes in the basic financial indicators, depending on the privatization method chosen, are very interesting. From that viewpoint, the ability of a firm to create a profit and its financial liquidity are important. In an approximate and general way, they describe the firm's economic condition, its investment capability (restructuring), and its limitations in current monetary turnovers. (This is particularly important in view of the painful problem of steadily growing payment holdups, bad debts, and so forth.)

Profitability in the privatized firms changed greatly in the past two years. That applies to both the average profit and the differences between methods of privatization. First, it must be noted that, regardless of how the firms were privatized, a relatively rapid drop in the profitability indicator occurred from January 1990 (from approximately 40 to minus 6 percent in the sample). But it should be added that, during that same time, a similar drop in profitability was recorded for the entire economy, including in all state enterprises. Therefore, the rapid drop in the financial indicators of privatized firms cannot be interpreted as being the result of ownership transformations. That was primarily the result of implementing the stabilization program.

But the rate of the drop in profitability was not the same in all groups of firms. The drop in the profitability indicator was relatively the smallest in the firms privatized by the capital investment method. At the beginning of 1992, the declining trend was even halted. But, to say that that is the result of adaptive measures and, generally, the first effect of privatization would be definitely premature.

The question of payment holdups, making the functioning of most Polish firms difficult, also appeared to be relatively good in the group of firms privatized by the capital method. During over two years, the ratio of amounts due to amounts owed dropped almost two-and-one-half-fold, on average. It should be added that, after privatization, a successive improvement in the ratio of amounts due to amounts owed occurred in those firms. In most of them, it was possible to balance both amounts and improve the ratio of amounts due and amounts owed to the size of turnovers. Those firms improved their financial liquidity, despite the fact that, in the entire sample, the above indicators changed very unfavorably during that period.

It can be said that the firms privatized through capital investment best withstood the "stabilization shock," and their financial results are still much better than the results of the average firm in the economy and the results of firms transformed by another method.

Those enterprises did not escape the problems generally troubling the remaining firms (for example, payment holdups), but, in view of the position achieved in the past, good production quality, and entry into Western markets, the enterprises privatized through capital investment for the most part went through the initial period of systems transformation relatively easily.

The situation of the firms liquidated on the basis of the privatization law looks a little different. Over a period of two years, profits in that group dropped an average of almost 40 percent. But what is most important is that the largest drop in the above indicator in that group of firms occurred in the second half of 1991. For most of them, that was a period in which the ownership transformation process was under way or had ended.

The opinion that the main cause of the financial troubles in many of those firms was privatization would probably be incorrect, but, undoubtedly, that was not insignificant to their financial standing. As a result of privatization, their liabilities to the state treasury grew (leasing rates often exceed the amount of the taxes paid previously). Furthermore, production costs also grew because of a large growth in average wages after privatization (the share of wages in costs during that period grew from approximately 22 percent to approximately 30 percent). Their growth was the same as in the firms privatized through capital investment and much higher than in the commercialized firms, despite the fact that the financial results of liquidated firms were much worse during that period. That applied mainly to the firms in which the

dominating shareholders (stockholders) were the employees of the privatized enterprises (a leasing formula).

Even in 1990, most of those firms showed good economic results. At the beginning of 1992, the average profits were close to zero (but the determining factor here was the results achieved by firms liquidated through sales of property).

In the group of firms liquidated according to the rules of the privatization law, a threefold drop in the ratio of amounts due to amounts payable during the studied period occurred.

At the beginning of 1992, the subject of releasing the previously held up payments could be discussed (another problem, affecting all firms, was the question of the absolute and relative growth of both monies due and monies owed during the whole period). But the improvement in the above ratio is to a lesser degree the result of actions aimed at collecting monies due, or the result of privatization, and to a greater degree the result of the successive drop in profits of those firms and the more rapid growth of monies owed than monies due.

The economic condition of enterprises liquidated due to poor financial state is much worse, which is understandable.

Even at the beginning of 1990, the average profitability of those firms was relatively high (about 30 percent). But, since mid-1990, their finances have steadily and drastically grown worse (to approximately 45 percent in 1991). True, at the beginning of 1992 there was an improvement in the profitability indicator, but that is due to the reduction in the operations of many firms, a reduction in employment, and the selling off of part of the fixed assets.

It should also be added that the situation connected with payment holdups in the group of firms designated for bankruptcy liquidation was equally tragic. In those firms, the ratio of monies due to monies owed grew successively worse. That was the obvious result of a steady financial "sinking" of those enterprises and the enormous growth of liabilities. From the start of 1991, the average firm, liquidated on the basis of the law on a state enterprise, is not able to pay its obligations due to the permanent creation of losses. What is surprising is that, even in 1990, the average firm in that group needed scarcely one month's net profit to completely pay off its obligations.

During the period being discussed, the enterprises transformed into one-person state treasury companies were in relatively good financial condition. In 1990, their profitability indicators were definitely the best. However, beginning in mid-1991, their profitability began to drop quite rapidly. It should be added that, at that time, a large majority of the firms in that group were commercialized. That may mean that commercialization did not serve to improve their financial situation. The basic

reasons for the drop in the indicator in that group are the same as for the enterprises privatized by other methods. But we should add the rather frequently repeated evaluation regarding the former and present company boards, in which they are accused of lack of appropriate action in the direction of restructuring (including financial).

Furthermore, since the beginning of 1990, in the commercialized firms, the monies due are at least one and a half times larger than the monies owed. Until the middle of 1991, commercialized enterprises were able to give credit to their coproducers, while also maintaining at least a minimal financial liquidity. From that moment, the "noose" in the payment holdups began to reduce the financial capabilities of those firms even more. The lack of appropriate strategy or real ability to balance the monies due with the monies owed attests to that. We should add that the indicator for servicing obligations from net profits rose more than twofold in the average commercialized firm.

To recapitulate, the deteriorating financial situation of the privatized firms during the period studied was not the result of the start or the end of the ownership transformation process but was connected primarily with the implementation of the stabilization program. The thesis may also be advanced that privatization through capital investment gave the firms being transformed by that method at least a minimal ability to restructure themselves financially and allowed them to halt, at least temporarily, the decline in the profitability of those companies. Also, the first sign accompanying privatization by the liquidation and commercialization methods was the rapid fall of the profitability indicator of those firms and the steadily deteriorating financial liquidity. It was completely different in bankruptcy liquidations because, in those cases, transformation was the result of the bad economic state of those enterprises.

But, generally, the diminishing financial liquidity and the declining profitability of privatized firms limits their investment abilities more and more severely, seriously reducing their chances for market-product restructuring and their further development. The need for outside financial support (as a result of privatization) becomes more and more acute.

[Box, p 5]

The author is deputy director of the Institute for the Study of Market Economics. The text is based on the results of studies monitoring the course of the privatization processes. The studies were conducted by the institute for over a year in enterprises in various phases of privatization by various transformation methods.

[Box, p 5]

The following conclusions of a general nature are the result of studies conducted by the Institute for the Study of Market Economics in 60 enterprises:

- During the years 1990-92, in most of the privatized

enterprises, a number of more or less visible adaptation actions were taken in the area of production and the shaping of a market strategy. But the main stimulus for that activity was not the process of ownership transformations but the qualitative change in the economic environment caused by the implementation of the program for economic transformation.

- Most of the changes made in the enterprises before the ownership transformation process was activated had the character of extensive adjustments and ensued from the firm's internal reserves, simple to put into motion. A large part of them were consumed quite rapidly; however, the intensive adjustments encountered some real internal obstacles (financial and staff).
- The first experiences of Polish privatization show that, because of the large gap in technology, disinvestment in production assets, and inflexible market and coproduction ties, the transfer of ownership alone is far from sufficient to put most of the privatized firms on the road to development.
- Unequivocally positive effects of transformation appear generally in firms in which a foreign investor has a controlling interest. That is important because,

as a result of privatization, the processes of product, market, and financial restructuring of the enterprises are accelerated.

- The takeover of all or a large part of a firm by a domestic investor does not, as a rule, produce such positive results as in the case of a buyout of the enterprise by a foreign investor. Past experience has shown that our own investors make investment decisions with much less knowledgeability.
- The first results of the takeover of a firm by its employees confirms the assumptions pertaining to the proconsumption orientation of most of the work force-owners.
- Commercialization in most cases does not have a positive influence on the firm's operations. Actually, no stimulus for restructuring and development functions effectively in that form of transformation.
- Bankruptcy liquidation, as a specific form of firm failure, has fulfilled its task because it allows for the reallocation of production factors from the "dying" firm to effective applications. Thus far, that mechanism, although with serious resistance, operates in most of the firms in which assets components are being sold off.

*** Past Czech-Slovak Cooperation in Science**

93CH0339A Bratislava MOSTY in Czech
26 Jan 93 p 10

[Excerpt from interview with Otto Wichterle, professor emeritus of chemistry, by Sylva Danickova; place and date not given: "Science Demands Generosity—The Czech Inventor of 'Silon' and Contact Lenses, Otto Wichterle, Professor of Chemistry, Recalls His Years of Collaboration With Slovakia"]

[Text] Following the closing down of the advanced schools at the beginning of World War II, Otto Wichterle, then an assistant at the Technical College in Prague, moved to Zlin to research polyamide fibers at the Bata Chemical Research Institute. When, at the end of the war, political influences led to the demise of the Bata firm, there was also a breakup within the group that had conducted chemical research during the war here. The opportunity to continue work and research found itself in the maelstrom of politics; as the genial inventor of Silon, RUDE PRAVO actually celebrated the individual who got hold of the results of many years of work by his colleagues and, on his own, continued in the production of monofilament hosiery yarn.

When not even Brno, the center of the textile industry, showed any major interest in the project Otto Wichterle was offering in the form of a ready collection of products made of synthetic fibers, primarily knitted fabrics but also polyamide fiber that was actually even crimped, when the largest chemical concern in Bohemia was accepting an offer of collaboration with restraint, fearing that everything having to do with polyamide fibers was protected by the Americans as a monopoly, Otto Wichterle turned to Slovakia with his project.

An Absurd Connection

"What was possible to undertake in Slovakia after the war," he says today, "was not possible in our country. There was an absurd interconnection in this. During the war, the Slovaks had a completely different regime. By having the so-called independent Slovakia, the war did not result there in a loss of entrepreneurship, which the Germans were successfully able to suppress in the Protectorate of Bohemia and Moravia. I and my other colleagues who came to Slovakia after the war in conjunction with Slovak industrialization fared very well. In contrast to those people who used to come here before the war, we met with a number of Slovaks at an excellent scientific level. However, Czechs still predominated. Today, thanks to the fact that the output of advanced schools in Slovakia is high, we would be hard pressed to find any kind of predominance on the Czech side."

In his recollections, Professor Wichterle writes:

"At the oblast Directorate of the Slovak Chemical Industry in Bratislava, we were so successful in arousing a great interest in polyamide fibers that they immediately invited me to Bratislava to a very brief negotiation

regarding collaboration (5 June 1946). When I saw how expansively they wanted to begin producing caprolactam, I was very attracted, and it was thus easy for me to agree with the representatives of the Slovak Chemical Industry that, within a period of two months, I would work out the introductory project, the details of which would be left to a group of designers and technicians to be set up at the Zilina plant of the Povah Chemical Enterprises. Immediately thereafter, I traveled to Zilina and determined that they had very good conditions there for semioperational experimentation. They had a building available that had been used during the war for the production of mustard gas, which had, in the meantime, evaporated because the Zilina plant by that time was engaged only in the production of sulfuric acid. Here, large pyrolytic furnaces were in constant operation, producing sulfur dioxide, although in a diluted form, but I was able to visualize that, even in its diluted form, it could be used for the production of hydroxylamine. Mainly, there were people there with an appetite to launch a new enterprise.

"Work on our big project began in the summer of 1949, under relatively dramatic circumstances. At that time, our 'Slovak group,' composed of five Czech engineers, met up with a group of Zlin communists at the Ministry of Light Industry. Those people were Stakhanovites who, from the very beginning, assumed that they had priority regarding everything having to do with Silon and who were vociferously proposing their own different project, which, in many respects, was also highly problematic. In wild litigation, we were outdoing ourselves in formulating our guarantees until, in the end, we prevailed with a pledge that we would present our 'introductory project' proposal, with all of its appurtenances, within three days. That was a task for which we had nothing prepared other than our experiences from the small Zilina semiproduction operation, a task that, under normal circumstances, would require several weeks to accomplish. We left the ministry and traveled to my Prague apartment, where we recomputed the figures involved in our project for three days and two nights and, in the end, gave it even an appropriate form, with the help of two stenotypists....

"Large-scale operations at Zilina were initiated in 1951, and, because the efficiency of the majority of the apparatus involved was greater than we had originally conservatively estimated, the output of the entire complex was doubled as early as 1953. The Slovak technical office soon developed into the great Chemoprojekt Design Institute. But I soon had to significantly curtail my ties to industry because I was committing myself more and more to education and work at the academy."

The Slovaks Used To Have More Enthusiasm

In the interview we had with Professor Wichterle, who is a 79-year-old scientist today but full of elan and interest, he continues:

"I used to have the impression that the Slovaks had more energy. They were able to throw themselves into things

with greater enthusiasm than those overly pragmatic Czechs. That was also manifested in their relationship toward science.

"The kind of support science receives depends on governments and on the amount of value placed on science by the public. In a society that approaches matters pragmatically, solely with a view toward their immediate economic effect, science does not have as much of a chance as it does where a certain enthusiasm plays its role—for example, in nationalism. At the given moment, nationalism in Slovakia is strong. In our country, it passed its peak at the end of the last century and virtually no longer exists. Here, people would most like to see science paying for itself. To the extent to which science might be unable to do so, it would be better to let it fall. Many do not see the fundamental purpose of science with respect to education and culture. That is a relatively pessimistic outlook, and I believe it applies more to the Czech lands than to Slovakia. In Slovakia, many irrational elements are in play; for example, it is precisely nationalism. It is impossible to agree with it as a guiding force of public life, but, as a powerful component in supporting science and culture, it can be beneficial.

"I recall the debates of the 1970's that had to do with the question of why scientific research in our country was producing such small results. When documentation was provided showing how many of the results of pure science resulted in a return to the state treasury, the marked difference between Slovakia and the Czech lands became evident. As recently as 1986, that returnability, recomputed on a per employee basis, was a hundredfold in the Czech lands, as compared to Slovakia. I believe that the reason for this was much greater generosity in support for science in Slovakia. In our country, even at that time, science had to be concerned about acquiring resources for its own purposes. In Slovakia, the institutions were obviously not so much compelled to earn their keep. I would add this to the positives for Slovakia. Slovakia probably had more generosity, which made it possible for science to be cultivated as a component of cultural life.

"That generosity will have its significance, particularly at the present time. Progress in science and technology was brought about, in recent times, by military interests. That is true for the United States as well as for Europe and any place else in the world. It also held true for the countries of the Soviet bloc, where science also prospered for that reason. Today, the immediate war danger has abated, and science is beginning to fare worse all over the world. Understandably, that is also true of our science. To a certain extent, science will be dependent on the generosity of society and its level of culture."

*** Moves Seen Against Slovakia's Hungarian Schools**

*** 'Provocation' Charged**

93CH0382A Bratislava SZABAD UJSAG in Hungarian
28 Jan 93 pp 1-2

[Article by Jozsef Borbely: "A Deliberately Planned Provocation Against Hungarian Schools"]

[Text] The very existence of ethnic Hungarians in the Felvidek ["Upper Country"—northern Hungary until 1920, now Slovakia] has always been a red flag to the Slovak majority. Since the change of empires—since we were forced into the role of a minority, in other words—we have been subjected to incessant attacks.

These attacks have sometimes been direct and aggressive, and sometimes indirect. The methods and means have changed over time; only the objective has remained the same. And it will remain unchanged as long as we exist in this region.

It seems that not even the realization of Slovak statehood has been able to dispel entirely these inferiority complexes. Now that they are rid of the Czechs, the Slovaks are more convinced than ever before that the time has come for a final solution of the Hungarian question. These days, to the great disappointment of many Slovaks, the Hungarian question can no longer be treated as a question of boxcars, the way it was treated in the mid-1940's. The international situation at present is not conducive to such aspirations, although precedents in that respect do exist even today. Therefore the Slovaks are resorting to "finer" methods that appear to be democratic and constitutional, yet are no less effective in terms of their goals. They, too, are aware that a nationality can survive only as long as it is able to live through its language, foster its culture and customs, and maintain its schools. Language is the connecting link, the integrating element, the means of expressing national identity. Therefore, filthy material methods should be put aside. The remnant of a nation can be eradicated even without laying hands on its material resources (which would detract from observation of the proprieties), merely by destroying its spirit. Accomplishing that requires nothing more than to isolate the Hungarian language, restrict its use, and then displace it gradually from public life. The rest will proceed automatically. Their national identity shattered, and they having been robbed and defrauded repeatedly of their material and intellectual wealth, the ethnic Hungarians will do the dirty work themselves. They will close their own schools "to provide better prospects of advancement for their children," thereby depriving those very same children of opportunity to be educated in their native language. And the ethnic Hungarians will do all this with anachronistic deliberateness, without suspecting the serious consequences of their actions. What a vicious circle, and how diabolic a plot! Meanwhile, the majority rejoices and pretends to be kind, understanding, and helpful, claiming that all this is happening on your behalf.

As the vocational counselor of our school, I received last week an invitation to a meeting that was held in a Slovak grade school in Dunaszerdahely [Dunajska Streda], under the sponsorship of the district's educational administration. The directors of all the secondary schools and gymnasiums in the district also attended the meeting. I found it rather peculiar to hold the meeting specifically in this school. The invitation did not say anything about the purpose of the meeting. But the

picture started to become clear when I saw that the list of invited guests included also the names of Miroslav Pius, the head of the No. 7 Educational Administration in Pozsony [Bratislava], and members of his staff.

Pius's name is associated indelibly in my mind with something that occurred two years ago. Readers will probably remember the national anthems affair in Komarom [Komarno]. This fellow had Peter Babi, the director of the local secondary vocational school, fired for having also the Hungarian anthem played—after the Czechoslovak anthems—on 1 September, at the ceremonies marking the start of the new school year. Pius subsequently authored numerous anti-Hungarian inflammatory writings that appeared in the Slovak press. He also voiced his opinion on the issue of Komarom Municipal University.

Hence I was certain what the topic of the meeting would be, without being told. My presentiment proved correct. As soon as the meeting had been called to order, Mr. Pius immediately presented what he had to say. The gist of it was that in Dunaszerdahely District there were no Slovak secondary vocational schools, and parents allegedly were demanding such schools. Therefore he requested the directors' and vocational counselors' help to ensure that as many of our students as possible apply for admission to such secondary vocational schools whose language of instruction is Slovak. In his speech Mr. Pius did not fail to emphasize repeatedly that all this is being done because it is what the parents desire, and because it is also in our own interest to offer the students better prospects of advancement. No doubt the readers, too, have detected the contradiction in all this, just as I did. If this is what the parents have requested and there is a demand for such schools, then what right have I as an ethnic Hungarian teacher to support such a drive? Mr. Pius's announcement was received in shocked silence. Slovak colleagues attempted to ease the situation by supporting the proposal. By then it also became clear to me why this meeting had been organized at the Slovak grade school with the largest enrollment in the district. The viability of this school, like that of the other similar schools in the country's southern reaches, is due in large part to the children of ethnic Hungarian parents whose national awareness has been shattered. The only trouble is that, since the upsurge of interethnic tensions, these children do not dare to apply for admission to the secondary vocational schools in Pozsony. For no matter how well they have mastered the state language, their names and origin betray them to their classmates. I personally know of numerous conflicts of this nature. From Mr. Pius's speech it was also obvious which Hungarian secondary vocational school will be sacrificed for this purpose. Preparations for converting the school on Podafa Road have been in progress for more than six months, amidst shameful rows. Seven ethnic Hungarian teachers have been dismissed in short order, because the newly appointed Slovak director of the secondary vocational school has begun to convert the Hungarian school into a Slovak one. And so the pieces of the picture puzzle

fit together, in spite of the efforts to conceal what is happening: A coordinated provocation, a direct and open attack against Hungarian schools has now begun also in Dunaszerdahely District.

Regrettably, few people at the meeting realized this, and even several of my ethnic Hungarian colleagues were nodding their heads well-meaningly. I also wish to note that, until I was recognized to speak, the meeting was proceeding in Slovak, even though 90 percent of those present were ethnic Hungarians. The air practically froze in the room when I presented my insights in Hungarian and introduced Mr. Pius a second time, the way I knew him. Those sitting near the podium were obliged to translate what I was saying. The color of Mr. Pius's face changed gradually during the translation. By the time I came to the end of my contribution to the debate, his face—not very confidence-inspiring even at its best—had turned an ugly beet-red. Without waiting for the other speakers to have their say, he attacked me angrily. He reproached me for questioning his good faith, but mostly my speaking in Hungarian was what angered him. He told me to switch to the state language. But by then the mood in the room was becoming increasingly tense, and also several of my friends rose to support my contribution. Mr. Pius lost his good judgment and revealed who was hiding behind the mask of "a good soul." He began to shout and to pound the table, the way it was done in the good old days. He was so upset that he began to urge himself to calm down. In the end, the whole exercise was nothing more than a dialog of the deaf, because he did not respond to my insights. Whereupon Mr. Pius thought it best to leave. After his departure, the meeting ended peacefully in a more relaxed atmosphere. It should be noted that in the debate there were, regrettably, Hungarian teachers more inclined to believe Mr. Pius's bamboozlement and who expressed their mortification over what had taken place. That was the only gain Mr. Pius could claim to his credit.

We have reached the point where some people are still either unable or unwilling to recognize the dangers lying in wait for our schools. They are being misled by the fact that those who are out to destroy us have donned masks and sheep's clothes, and are slowly but systematically slicing away, like salami, our schools and rights. Hungarian teachers, we cannot be extras in all this. We must raise our voice whenever and wherever such attempts occur. For we have a mission to fulfill in this region, and our lives and very existence depend on its fulfillment.

* 'Alternative Schools'

93CH0382B Bratislava SZABAD UJSAG in Hungarian
30 Jan 93 p 2

[A statement issued on 22 January 1993 in Bratislava by the Presidium of the Native Language Association of Hungarians in Czechoslovakia: "'Alternative' Schools?"]

[Text] Through the mass media, ethnic Hungarian public opinion in Slovakia has been informed about the intention of the Ministry of Education to establish so-called "alternative schools" in areas with ethnically mixed populations. Accordingly, instruction in the natural sciences would be in Slovak in these schools, to enable minority students (primarily ethnic Hungarians) to master the state language more thoroughly.

Because the realization of this idea would have a direct impact on the use of the Hungarian language in Slovakia, and even on the very future of the Hungarian minority itself, the Native Language Association of Hungarians in Czechoslovakia deems it necessary to present its own standpoint on this issue.

Educational programs of the type that the Ministry of Education is considering introducing are employed in numerous countries around the world. The foreign literature on bilingualism calls them language-shifting programs and establishes that their final outcome is a lapse of the minority languages, because the programs lead to so-called subtractive bilingualism. The essence of subtractive bilingualism is that the students' command of their native language declines parallel with their improving proficiency in the second language. In the absence of a solid foundation learned in their native language, however, bilingual students usually are unable to attain the same level of development as unilingual students (and they also have problems with learning foreign languages). In relation to both languages, therefore, bilingual students are at a disadvantage in comparison with their unilingual classmates. When directed to classes in which the majority language is the language of instruction, the bilingual students' command of the second language gives them a certain superficial fluency in it, but that usually is not enough for more abstract thinking and effective learning.

On the basis of the preceding it is very likely that in Slovakia this method of instruction would lead to a sharp decline of the ethnic Hungarians' command of their native language, and to an acceleration of linguistic assimilation. This happened, among others, to the Finno-Ugrian peoples living on the territory of Russia. As instruction in their native languages was curtailed, their language shift became ever more pronounced, so that today significant proportions of individuals among them do not speak at all the respective native languages of their ancestors. As closer examples, let us mention the nationalities in Hungary (the Slovaks, for instance), among whom language shift accelerated in the 1960's,

specifically at the time when the minority schools switched to Hungarian as the language of instruction in the natural sciences. Instruction in their native languages has become impossible for these nationalities by now, because in kindergarten and grade school the children learn the native languages of their parents and grandparents practically as foreign languages.

In our opinion, the situation of the individual nationalities differs so widely in terms of their historical roots, size, settlement structure, and characteristic type of bilingualism that it is impossible to introduce the same kind of educational program for all of them. Therefore we reject the notion of same treatment for Slovakia's Hungarian minority as either for the Slovak minority in Hungary or for the Ruthenian or German minority in Slovakia.

Attempts by the authorities to increase the number of subjects for which Slovak is the language of instruction are by no means of recent origin; we encountered such attempts repeatedly during the past 30 years. Each time the authorities concerned justified such plans with the argument that Slovakia's ethnic Hungarians attending Hungarian schools were not gaining an adequate level of proficiency in the Slovak language and, therefore, proportionately fewer ethnic Hungarian students acquire higher educational qualifications. The authorities concerned attribute this fact solely to language proficiency and fail to take into consideration that our sociological characteristics, for instance, differ from those of the Slovaks. At the same time, we do not have at our disposal statistics which show that, among ethnic Hungarians attending schools in which Slovak is the language of instruction, the proportions of graduates of secondary schools, colleges, and universities are higher.

For the reasons outlined above, we do not consider the justification for introducing so-called alternative schools as well founded. Furthermore, on the basis of foreign experience we believe that the proposed educational program must be rated as harmful. To improve the Slovak-language proficiency of Slovakia's young ethnic Hungarians, the level of language instruction must be improved within the present framework, primarily by using instruction methods, textbooks, study aids, and so forth, which better meet the requirements. In addition, the possible extracurricular forms of gaining better command of the Slovak language—ranging from bilingual television programs to organizing joint summer camps for Slovak and Hungarian children—ought to be explored and developed.

Macedonia

Countering Serbian-Greek Designs on Macedonia

93BA0590A Skopje NOVA MAKEDONIJA in
Macedonian 30 Jan 93 p 13

[Article by Zoran Petrov: "A New Performance With the Old Directors"]

[Text] *The subject of the latest Greek-Serbian talks is also Macedonia, and the occasion is the delivery to the Security Council of its request for admission to the world organization; the "double M" (Milosevic-Mitsotakis) duet cannot get out of the embrace of the national-chauvinist "Tango Argentino"; the problem is—what comes after them?*

What has been happening in the past year with respect to broader international verification of Macedonian statehood and the activities that our neighbors have been undertaking with respect to it already resembles, metaphorically speaking, the excessively exhausting spinning of a sort of Balkan merry-go-round. Even children know that when one spins around too long in the circle of this carnival carousel, a blurring of consciousness and a loss of balance and stability are inevitable, as well as a bad headache and weakness. With this kind of preface, we can follow the recent visit by the current president of the Federal Republic of Yugoslavia [FRY], Dobrica Cosic, to "traditionally" friendly Greece, and its Prime Minister Konstantin Mitsotakis.

Naturally, the subject of such Greek-Serbian talks (for who knows how many times now) is Macedonia, which can also be seen quite well from the press conferences, which are usually held after talks, in which Macedonia's policy, diplomacy, or attitude toward minorities is presented as a Balkan bogeyman. Logically, in doing so both statesmen inevitably emphasize the friendship between their two peoples—even though there is also a third between them—support, and common interests. That this has to do with a far more synchronized action, once again on the subject of Macedonia, is also indicated by the fact that the day before the Mitsotakis-Cosic meeting, an Albanian parliamentary delegation and the president of the Socialist Party of Bulgaria were also in Athens and were received by the prime minister. The occasion for these "blitz" talks is likewise well-known—at almost the same time, UN Secretary General Butrus Butrus-Ghali sent the General Assembly and the Security Council a written note in connection with the Republic of Macedonia's written request for admission to the world organization. The Balkan merry-go-round is thus whirling faster and faster, around its central axis—Macedonia.

The Serbian Dead End and the Greek Sidetrack

Almost all the world commentators and people familiar with the situation in the FRY and Serbia emphasize the Serbian leader's strategic commitment to the constant

creation of chaos. Essentially, that continued mobilization of citizens' awareness for some sort of defense of Serbian interests "wherever there is even one Serbian house or Serbian grave," still drawn from the medieval definitions for leading the people and the state, can only be interpreted as the mechanism for rule presented in the definition "Milosevic needs war in order to stay in power." It is precisely for that reason that after the Geneva talks on Bosnia-Herzegovina, when peace was already beginning to be in sight in this former Yugoslav republic, for many people it represented a sort of signal or danger of the emergence of a new hotbed of war. Among the latest ones warning about this was NATO Secretary General Manfred Werner, emphasizing the growth of the potential possibility that the military conflict would spread to Sandzak and Kosovo, with the inclusion of Albania and Macedonia in the second phase of the conflict.

Nevertheless, the unpredictable Balkans, for who knows how many times, have shown their inconstant face again, this time through the Croatian forces' offensive in the Krajina region, in southwest Croatia, and at the same time through the complication of the situation in Bosnia-Herzegovina as a result of the armed conflicts between the Croats and the Muslims in central Bosnia. On top of this, there is the increased combat-readiness of the FRY's armed forces and the announcement that a general Croatian offensive against all the front lines is expected. With this, the focus of the combat operations is once again being shifted to the northwest Balkans, and this, according to many people, represents a favorable course of events benefitting Macedonia. Nevertheless, this should also be viewed with reservation because, as we have already stated, this is a region that is characterized by unpredictability, inconstancy, and irrationality.

That kind of cyclic and asymmetric political attitude is even more characteristic of Greece, from which attentive observers have recently been announcing a certain yielding in its uncompromising position toward Macedonia, i.e., its name. It seems that this will also be turn out to be a false impression, or part of the "hot and cold" strategy of Mitsotakis, who is so far successfully holding onto the reins of power (although the deputies from his party are more and more openly demanding his resignation) with his radical change in attitude. That kind of euphoric announcement of a national victory, followed in a few days by another announcement that Greek interests are dangerously threatened, is a typical mobilization of citizens' awareness (almost identical with Serbian tactics), which is naturally aimed at contaminating the atmosphere of public opinion in Greece to such an extent that any sort of criticism of the authorities automatically gets labeled as national treason.

Following the great truth uttered by former U.S. President Lincoln ("You can fool some people all of the time, and all the people some of the time, but you cannot fool all the people all of the time"), it is clear that the "double-M duet" can no longer turn back, or painlessly

extricate themselves from the embrace of the national-chauvinist "Argentine tango." The problem is—what comes after them?

The Seed of Evil Has Been Sown

From this aspect, it is extremely interesting to follow developments related to the latest compromise problem from some of the countries that are permanent members of the UN Security Council. Macedonia is to be admitted as a member of the world organization under the name of "Former Yugoslav Republic of Macedonia." If this proposal is carried out, regardless of the possible repercussions within the republic, there will likewise be the unpredictable attitude of our southern neighbor, which is radicalizing its position more, since now it is not accepting the name "Macedonia" in any form or with any additions whatsoever. For these reasons, in such a hypothetical situation, Greece can be viewed as an additional factor of instability in the region, because after the possible fall of Mitsotakis's government, and the coming to power of PASOK [Panhellenic Socialist Movement] and Papandreou, who is more radical in many respects, the big question is how long all the tension can be kept under control. It is no secret at all, anyway, that Greece has significant military forces concentrated on the border with Macedonia, from which it could allocate several of the armored-mechanized divisions in the region of Polikastron (about 20 kilometers south of Gevgelija) and Lerin.

The problem with Macedonia, as retired General Todor Atanasovski said on one occasion, is that historically it has never been occupied in a "civilized" manner. Macedonia was always annexed and partitioned, and its inhabitants were pressured to change their national sentiment. Accordingly, there are no assumptions at all that in a possible aggression the aggressor's attitude would be changed; this in itself determines the nature of a hypothetically posed defensive war. Such an assumption, although formulated in an extremely amateurish manner, has to be kept in mind in view of the intermingling of interests regarding Macedonia at the given historical moment, and the specific course of events. That is because for a long time in this region sowers have been casting the seed of hatred, and the flower of evil will spring up even after their departure from the historical scene.

The only thing that in a way inspires hope and optimism in the current situation is Macedonian foreign policy, with its emphatic support for peace, good-neighborliness, and dialogue. That is because in principle, war is won by politics and not armed forces, and it is precisely for that reason that it can be said that the Republic of Macedonia has a strong trump card. This is an extremely essential point, since such a policy is encountering approval in an international framework, and one must not ignore the fact that the republic has been recognized by and has fairly good relations with two great powers—the Russian Federation and Turkey.

Nevertheless, in spite of all the optimistic announcements of Macedonia's peace and security (including the procedure for its admission to the UN and the UNPROFOR [UN Protection Force] forces on its borders), it must be recalled that it is still located in the Balkans, in which the burden of the historical liabilities, nationalism, irrationality, petty interests, unpredictability, and inconstancy will reign for a long time to come....

Macedonian Riot-Control Measures Deemed Excessive

93BA0556A Skopje NOVA MAKEDONIJA in
Macedonian 9 Jan 93 p 17

[Article by Katitsa Changova: "The Conflicts Could Have Been Avoided"]

[Text]

What the reports concerning the situations in Kuklish, Radovich, and in Skopje contain.

In the situations in Kuklish (23 March) and in Radovich (31 March) of last year, the conflicts between the police and the demonstrators could have been avoided if the requests for addressing the government, that is, the agreement reached between the Ministry of Internal Affairs and the organization committee, had been respected. The Assembly has to determine what the truth about the protest meetings is.

The long awaited report of the interim Assembly committee entrusted with investigating the surroundings and causes which led to the use of forceful means on the part of the members of the Ministry of Internal Affairs at the protest meetings which took place last year in the village of Kuklish (Strumichko), Radovich, and in Skopje, finally has been prepared and distributed to the delegates in the parliament. It may be discussed at the first regular continuation of the 51st Session of the Assembly, where the report concerning these situations has been confirmed as an item on the agenda. Actually, the interim committee is very late in completing the assignment it was given last year to investigate the above-mentioned incidents—it is coming to the light of day nine months after the incidents (and there are several reasons for this—irresponsible members, intentional delay and concealment of the truth, political games, and trickery). Whatever the reason for the delay, it has come time for the public to be informed about what actually happened at the protest meetings in March-April of last year.

The committee has prepared an individual report for each of the incidents, and at the end of each it offers a suggestion and measures to the Assembly of the Republic. As is emphasized in the reports, the interim Assembly committee used the questionnaire approach as a working method, questioning and listening to each side and presenting all possible evidence. Basically, it investigated each incident individually and discussed each

incident independently in establishing the truth in order for the seven-member Assembly committee to obtain objective information.

An Indifferent Government

In the report concerning the protest meeting in the village of Kuklish on 23 March 1992, the committee confirmed that a basic reason for holding the meeting in Strumitsa, where the individual farmers blockaded the main road from Strumitsa to Valandovo, was their dissatisfaction with the conditions in agriculture, the indifferent attitude of the government, and the slow solution of the problems in this area. However, likewise, the fact is that communication and information exchange between the Independent Union of the Individual Agricultural Producers from the village of Kuklish with the Republic Committee of the Independent Union of Individual Agricultural Producers of Macedonia in order to give warning of the strike was ruined. On the other hand they acquired support for continuing to strike from the president of the Republic of the Independent Union who visited them at the location of the blockade. The conflict, as is emphasized in the report, began with forcing the farmers from the road 100 meters from the village when the president of the Republic Committee of the Independent Syndicate was captured, and the others began to collect stones in order to defend him. However, the committee of the Assembly concluded that the conflict between the participants and the police could have been avoided, and the protest could have been stopped if someone from the government had met with them as, however, they requested in writing. However, no one answered their call. At the same time the Assembly committee in evaluating the statements concluded that forceful means and the smoke boxes did not have to be used, especially since the goal—forcing the people from the road and removing the blockade—was accomplished.

The most extensive of the reports is that concerning the Radovish incident, where the farmers held a meeting in front of the "Jaka" AD, on March 31. The meeting was held because of dissatisfaction on the part of the workers of "Jaka" with respect to the placement of the director, the selection of his deputy, and the payment of the difference for purchased tobacco. The Assembly working body stated that the protest meeting in Radovish had been properly announced to the district units of the Ministry of Internal Affairs, and the requests for the sake of which it was held were justified and well-founded. The reasons for the protest meeting are the result of the legally unregulated relations in the economy and in agriculture, for which the government and parliament bear the greatest fault, and which may cause new strikes of individual agricultural producers. The farmers' demands are urgent and still need speedy resolution. At the same time the committee believes that it is necessary to have a new type of organization of the farmers in the Republic that will put them in an active position vis-a-vis the government and the parliament for the sake of protecting their interests.

Overstepped Authorization?

With respect to the use of force, in its report the committee expresses doubt that on 1 April 1992, in the period from 0800 to 1000, the four policemen from the Strumitsa Department of Internal Affairs overstepped their authority with unjustified use of physical force against citizens who, for different reasons, had come to the "Jaka" AD in the course of the day or were walking beside the "Jaka" AD (therefore participants at the meeting on the preceding day). The use of physical force is contrary to the regulations of the Law for Internal Affairs (Article 57) and the Handbook of Regulations for Carrying Out the Work of the Public Security Service (Article 109), because of which disciplinary action was taken against the four suspended employees of the Ministry of Internal Affairs. However, the conflict between the police and the individual farmers began at the time of the suppression of the police cordon which created a physical obstacle against a blockade of the main road. However, such a conflict, the committee believes, could have been avoided if the agreement reached between the representatives of the Ministry of Internal Affairs and the organization committee of the protest meeting concerning blocking the main road for one-half hour had been respected. At the same time it is indicated that the employees of the Ministry of Internal Affairs had inadequate facilities for protecting the life and property of the citizens, and also for protecting the police against the aggressive behavior of individuals or of a mass of protesters in the case of gatherings. It is precisely for this reason that there is a need to purchase equipment and facilities for the police, which would make sure of this.

The interim committee also examined the reasons that led to the revolt of the citizens of Albanian nationality returning from the protest meeting in the central square in Skopje on 31 March of last year, when the police were in the process of determining identities at the old railroad station. Around 20,000 to 25,000 citizens—Albanians from several cities in the western part of the Republic—participated in this gathering called a meeting "for democracy and equality," organized by the PDP [Party for Democratic Prosperity]. During the meeting three people of Albanian nationality, all from the village of Livada, Strushko—Mefit Arifi, Dilaver Loga, and Resul Rechi—accompanied by a group of 50 others, displayed a transparency, a white sheet 3 meters long and 1 meter wide, on which the territory of the so-called "political-territorial autonomy" of the Albanians in Macedonia is shown on a map of the Republic of Macedonia.

Different Points of View

At the end of the meeting the Ministry of Internal Affairs acquired information that a bus with a Strushko registration, parked beside the old railroad station, held transparencies of hostile content, because of which measures were taken to find the bus, identify the citizens, and seize the transparency. When the transparency was seized, two older persons—Albanians—protested the

measures taken, upon which they were identified together with all in the bus, without the use of force. It is confirmed that the majority of the travelers were related to the Republic Deputy Mersim Polozhani.

In discussions with the committee, the participants at the meeting insisted that they did not have comments about the search and the identifications, but about the behavior and the offensive words uttered by the police. Therefore, the Assembly committee investigating this case stated that there are differences in viewpoints concerning the event both among the former and the latter, not only with respect to the number of the police, but also with respect to the words of the commander of the police station, which was taken into account. The participants assert that there were five, six, possibly even 13 police vans, automobiles, and 40 to 50 police around the bus, and the Ministry of Internal Affairs declares that there was one van and one golf cart, and six police and four civilians.

However, in the proposal of measures that the interim committee proposed to the Assembly of Macedonia in the cases of Kuklish and Radovich, two members from this body, Todor Petrov and Stoile Stojkov, expressed disagreement with the others with one of the points proposed as measures. They criticize the fact that measures will be taken against Djordji Lazarov, the commander of the Strumitsa Department of Internal Affairs, and Arlam Tranchev, the commander of the police station in Strumitsa, and that they will be relieved of their duties. In the case of Radovich disciplinary measures will be taken in addition to the above-mentioned individuals from the police for Kuklish and Dimche Ristov—the commander of the Radovich District Internal Affairs.

Now it is the turn of the Assembly of Macedonia, in which 120 elected officials sit and represent the interests of their electorate to determine what actually is the truth concerning Kuklish, Radovich, and Skopje.

[Box, p 17]

Proposal of Measures Concerning Kuklish

The committee proposes that the government is obligated to present the Assembly with a program for long-term development of agriculture with measures for minimizing the problems and a program for the economic policy in agriculture for this year, in which the conditions for economic management in agriculture will be confirmed in more detail. The government will regularly and fully inform the Assembly concerning the discussions which it conducts with the associations of the farmers and the measures which it takes with respect to their requests. The Ministry of Internal Affairs will investigate if its workers who directed and participated in safeguarding the protest meeting of the individual farmers exceeded their authorization and duties and if

liability is confirmed, to take the measures authorized by law, and the government will inform the parliament concerning these measures.

Radovich

The interim committee proposes several measures concerning the Radovich situation. The government will confirm proposals for new laws or changes and supplements to existing laws, in particular laws concerning business enterprises, labor relations, transformation of public capital, labor inspection, tobacco, public meetings, antimonopoly law (in particular, in the area of the production and traffic in tobacco and tobacco products, and will reexamine the transformation of the monopoly enterprises, i.e. the tobacco combines). The SOK [Public Accounting Service] will take the measures authorized by law against the people responsible for the action at "Jaka" AD and Skopsko Pivo (Skopje NIM) if it is confirmed that the actions were against the law. The Public Prosecutor's Office of Macedonia will confirm if proceedings are to be brought against the people who violated the laws in the case of the "Jaka" AD and "Skopsko Pivo" NIM. The Ministry of Internal Affairs will inquire if its workers exceeded their authority. The government will present the parliament with information concerning the conditions, problems, and measures for increasing the production, processing, and traffic in tobacco and tobacco products.

Skopje

In connection with the meeting of the Albanians in Skopje which took place on 31 March, the committee proposes that the Ministry of Internal Affairs confirm the reasoning for the allegations against the participants in the meeting and if there are elements of liability to take legal measures to bring charges against the member of the Ministry of Internal Affairs. The participants who think that it was a matter of slander and insult will exercise their rights before the court having jurisdiction. The deputies will be informed concerning the measures taken against the holders of the transparencies and the decisions of the court. The government will adopt positions concerning behavior in the case of meetings depending upon their content and will inform the parliament concerning this.

Appraisal of Living Standard in Macedonia

93BA0533A Skopje NOVA MAKEDONIJA in
Macedonia 23 Jan 93 p 15

[Article by Sonja Kiridzhievskia: "Pessimism—A Part of Everyday Life"]

[Text] An unusual idea expressed in a resigned tone of voice has been heard recently. The essence of the idea is to begin the alphabet of life with the letter "P"—as in pessimism, suffering through life.... Perhaps it isn't heard everyday, but the essence of this is the fact that the pessimism about our future survival has become a part of everyday life. But what else can the ordinary citizen

think when his lifestyle comes down to continuous bookkeeping and seriously dealing with the truth that what is taken as a monthly personal income is not sufficient for a third of the envisioned period. The second part is made up with an insufficient loan from the government (the red ink of the accounts current), and the third with concealment and incurring an even greater debt to the government (avoidance of the bill collectors).

In this context, it is disappointing that around a third of the active population in the Republic is not able to satisfy basic living requirements and are users of different types of assistance. This year what happened is that 173,000 people did not find work, and bankruptcy hangs over the heads of 10,000 others who are working. It is hard to "digest" the knowledge that 6.9 percent of the employees receive the lowest pay and 7 percent receive their pay one, two, and even more months late. If the fact that half and more of the employees receive less than the average pay in the Republic is added to that, and around 70 percent of the number of retirees live on pensions lower than the average wages, one gets a picture of the social milieu of the citizens of the young, independent, and impoverished state of Macedonia.

All of these are the fruits of the hyperinflationary harvest that the first positive effects of its destructive action, and probably the only ones, reaped. However, irrefutable economic criteria show that the Macedonians are only impoverished on the average, but individually there are still richer people. If this were not so, the experts maintain, the black-market exchange rate would be significantly lower, and the people would not besiege the foreign currency black market in order to convert the insecure denar into hard currency, irrespective of the fact that the majority of the population understands that individually little is harmed by this act, but globally much is lost. All this has some points of contact with the economy, but the psychosis of the war and the inflation drives people to hoard foreign currency ceaselessly, and thus they raise the price for it to an absurd level.

The Yardstick—Buying Power

People always cite statistics, which by their very definition only record social movements quantitatively; the conditions look like this. The average pay for September last year amounted to 92,779 denars. The total value of the market basket for this month amounted to 121,915 denars and was more expensive than the average pay by 31.4 percent, or 29,136 denars. This means that a four-member family succeeded in filling the market basket with 1.3 average pays. The situation changed in October when the average pay was 103,497 denars: The shopping basket cost 152,497 denars and was 47.4 percent more expensive than the pay. The same family needed 1.5 average pays in October, and the same thing is evident in December, when the average pay amounted to 115,333 denars, and the market basket cost 180,000 denars.

What a drastic drop in the purchasing power the inflation produced can be seen by the fact that in September 1991 we were able to purchase 116 liters of edible oil from the average monthly earnings, and only 77 liters in September 1992. In this same period 362 packages of "Partner" cigarettes could be purchased from the average earnings, and 100 packages fewer in 1992. It is interesting that it is seen that in September 1991 we needed 4.6 average earnings for a color television, and we needed 89 average earnings for this same television a year later. The earnings needed to purchase a "Yugo 45" automobile in September amounted to 27.8, and we needed "only" 546 average earnings for this same automobile a year later. Is there a better commentary on how our standard has fallen than these numbers?

And Nothing Has Changed in That Direction

Or what can you say about the fact that in September 1992 we worked 5 hours and 12 minutes for a kilogram of meat, 26 minutes for a liter of milk, 33 minutes for a kilogram of bread. One worked five days and four hours in order to buy men's shoes, and women's shoes took four days and one hour. Eleven days and two hours were needed for an automobile tire, the clothes washing machine took five months and nine days, the refrigerator three months, and a color television four months and 19 days. In order to pay for the children to stay in kindergarten the parents worked two days and three hours, the registration of their vehicle took seven days and three hours, and driver's training 20 days and three hours. The time required for purchasing a "Yugo 45" automobile, for which we had to work 54 months and 14 days, reached a culmination.

As we finished, so we began in this year of 1993. If the day is reckoned by the morning, the longest month in the year, January, does not offer a brighter perspective. The producers and merchants did not wait for a complete sobering up from the holidays and changed the prices for more than 15,000 products in a flash of lightning. To cap it all, the government permitted the producers of the basic food articles to increase their prices. If we take account of the fact that the majority of the population literally lives on bread and milk, now it will have to cut down on both if it wants to try something else. But only now are we chopping up January, and there is still a long way to go to the salutary green spring days when life becomes less expensive and becomes a little more dignified. There is no chance of stopping our current monthly inflation of 20 percent until the first precondition is met—a healthy anti-inflation program. This will be particularly the case if these developments in the economy and politics continue; nothing will be possible. On the other hand, trying to defend against hyperinflation is becoming more and more complex, without regard to the weakening of the purchasing power, i.e. spending as a barricade against ill-considered price rises. And those who console us that which is happening to us is only a gentle reprise of 1989 already do not believe in this.

It is an incontrovertible fact that we need future action without hesitancy. Supplementary stabilization measures applied in 1992 played only a very weak role in stabilization. According to the analyses in this year the conditions for the economy also will not be more favorable than 1992. In the area of prices they are still being formed freely. Those which now are allegedly curbed will remain under control. For the ordinary person all this means that nothing good will be written for him this year. That is precisely why we are retaining the original pessimism about which we wrote at the beginning of this text. In general—how appropriate it is to pose the question—will anything be done to move toward better conditions? Those who still believe there are simple and short answers have to....

[Box, p 15]

One-third of the active population of the Republic is not able to satisfy basic living requirements. There is a struggle with inflation this year also. As long as the developments in the economy and politics continue, the ordinary citizen is aware that nothing good is being written for him.

Ecological Problems, Prospects for Solution

93WN0262A Skopje NOVA MAKEDONIJA in
Macedonian 16 Jan 93 p 13

[Article by Vanco Meandzinski: "Hostage of the Citizens' Bad Conscience"]

[Text] *The latest eco-incidents (some of which are still in progress) also demonstrate irrefutably that the chief culprits behind our country's ecological disaster are its citizens; poverty is a limiting factor in environmental protection, but by no means can it be used any longer to "cover up" citizens' unprincipled actions with respect to nature.*

At the recent meeting with reporters that was organized by the "Survival" Ecological Society in connection with the abrupt deterioration in the ecological situation in Skopje, Dr. Milos Zmejovski, speaking about this enormous human disaster, stated among other things that Skopje's citizens had to be aware that the problem of the pollution of their environment would be with them for a long time to come. Dr. Zmejovski likewise explained that the problem of the pollution of Skopje was a two-dimensional one, more precisely anthropological and climatic. This prominent ecological expert so far does not see any solution to this complicated ecological problem. Dr. Zmejovski sees the salvation of the Skopje environment and of Skopje residents' health in the gasification of our capital. This opinion is also shared by many ecologists and experts.

Illustrative Examples

The frightening agony in which Skopje residents are languishing because of the enormous amount of air

pollution is only part of the general extremely unfavorable picture of the economic situation in Macedonia. The case of Skopje, however, reflects the catastrophic Macedonian ecological situation in a very illustrative way.

Still, if one seeks a general, common denominator for our present ecological situation, then it can only be described as the accelerated degradation of the genuine natural resources and of the environment, as a result of the population's extremely low ecological awareness and the growing poverty. It would be an even more decisive diagnosis of the situation if it is said that from an ecological standpoint, Macedonia is nothing more than a hostage of the bad consciences of its citizens and of poverty.

In practice, thousands of examples can be cited in support of this far from gentle observation. One of the most recent examples, with which one can very eloquently support the claim that citizens' bad consciences, or low ecological awareness, if you wish, is one of the key factors that has enormous influence upon the extremely unfavorable ecological situation here, is the case of the latest death of the fish in the Vardar River. This case is a striking example of the kind of fatal consequences that an individual's unprincipled attitude in his work place can lead to.

It was precisely for this reason that this lawless attitude, not by chance, was characterized by the president of the Movement of Ecologists of Macedonia [DEM], Dr. Josif Tanevski, as a criminal act; he furthermore stated that the leadership of this association had officially requested that the Ministry of Internal Affairs investigate the case of the poisoning of the fish, and undertake the harshest measures against the perpetrators of this crime against nature. The director of the Veterinary Administration of the Ministry of Agriculture, Water Management, and Forestry, Aleksandar Naletovski, was even harsher toward the poisoners of the fish in the Vardar. Specifically, Mr. Naletovski called the perpetrators of this crime people with a gangster mentality.

Irresponsibility of the Responsible People

No less striking is the case (which is in progress) of the enormous air pollution in Skopje for several days. It can even be said of this case that it is even more drastic, since it is very closely linked to the fate and health of half a million people. At the same time, this case is much more complicated, since many more people in the state authorities are involved in it, but also an enormous number of officials in work organizations. Because of the unprecedented lack of principle of those "responsible" people, but also a not so small number of unprincipled citizens, an enormous multitude of Skopje residents have been exposed for days to terrible torture, and their health is an ordinary toy in the hands of various egocentrics and self-proclaimed managers of the people's future.

That Macedonia has recently really begun to resemble an ecological wasteland has been confirmed these days by the hunters, or some other citizens with bad consciences, from Titov Veles and Kavadarci. Specifically, these modern vandals killed several swans apiece, in spite of the fact that the killing of their victims, gracious and very beautiful birds, is prohibited by law.

The disturbing present ecological situation in Macedonia, however, does not consist of just the more frequent eco-incidents like the poisoning of the fish in our rivers, or the enormous air pollution in Skopje. Macedonia also has an enormous number of black ecological points, which are a permanent danger to citizens' health and the environment. Thus, for example, there are many other black ecological points on the republic's ecological map, in addition to Skopje. The first rank of the dangerously polluted inhabited locations, i.e., black ecological points, includes Titov Veles, Bitola, Prilep, and also Kumanovo, Gostivar, Tetovo, Kicevo, and also a rather large number of smaller cities in Macedonia.

In these cities, because of the low ecological culture and awareness, the failure to observe legal regulations in the ecological sphere, and the laughably low fines, not even the most basic facilities in the municipal area have been built, such as the regulation city sanitary depot and purification stations for municipal and industrial sewage. The construction of these facilities, however, is the first and basic precondition for modern urban life in civilized countries and the initial stage in the ecologization of overall life in the cities. The operation of these municipal facilities is the basic precondition for healthy life in the cities, but also the basic guarantee for the protection of citizens' health, which is threatened from many sides, as well as the "health" of the environment.

Numerous Ecological Black Spots

The enormous industrial installations, especially in so-called dirty industry, are an extremely dangerous black ecological point on Macedonia's ecological map. Among these industrial facilities and factories, one can count on one's fingers the ones that have any sort of purification devices installed. Unfortunately, the city and republic inspectorate authorities' incomprehensible toleration of illegal acts by polluters is still in fashion. In fact, the competent inspectorate authorities either punish the biggest polluters in Macedonia symbolically for violations they have committed, or else they are even accomplices in covering up numerous serious eco-incidents.

Nevertheless, even though industry, especially in the larger cities, is freely continuing to poison the population with the waste materials that it releases from the production process and to pollute the environment, this year it was precisely a big and dangerous polluter that was given the republic's Kliment Ohridski award for its contribution in the realm of ecology. This was the Bitola REK [Republic Electric Power Combine]. This work organization has had certain accomplishments in the area of

environmental protection, but by no means did it deserve to be the first one to receive this high social honor.

The overpolluted rivers, the poisoned lake waters, and the arable agricultural land that has been dangerously polluted by the uncontrolled use of various chemicals are an integral part of the extremely unfavorable ecological situation in Macedonia. If there are any analyses and standards for pollution at all, so far not a single expert scientific analysis has been done in the republic on the concentrations of harmful materials in arable agricultural land.

In conclusion, we should also add that, in pointing out the situation in the ecological sphere in Macedonia, one cannot avoid the economic power, or weakness, of our country. It is not necessary to emphasize in particular that Macedonia is a poor country, and that this is a limiting factor in constructing a policy for protecting and enhancing the environment, since we know that environmental protection is mainly a privilege of rich countries. Nevertheless, even with the economic strength that we have available, much more can be done in the area of environmental protection. The times are gone forever (this must finally be understood) when excuses based on our poverty were sought for everything that was not done in various aspects of life. No one can find excuses any longer for an extremely unprincipled attitude toward environmental protection. This practice must finally and definitely be ended, since otherwise Macedonia can truly remain a permanent hostage to the bad consciences of its citizens with respect to environmental protection. Otherwise, gloom and ecological catastrophe will become a very near future for us. This must not happen.

* Macedonian Daily Criticizes Minister Pesev

93BA0535A Skopje NOVA MAKEDONIJA in
Macedonian 23 Jan 93 p 15

[Article by Bosko Boskovski: "All the Mistakes of Minister Pesev"]

[Text] It is sure that less than five months, in normal conditions, are not a long enough period of time from which it is possible to derive a valid, precise, and maximally objective evaluation of the work of a ministry and its leader. However, if events that directly destabilize the daily life of the citizens, and even threaten their existence, take place during these 150 days, then, in spite of the dangers that a mistake will be made in some way, this has to be done. And there were mistakes, directly and indirectly, in all four sections of the Ministry for Urban Planning, Construction, Communications, and Ecology.

Skopje is on the edge of an enormous ecological catastrophe. The presence of poisons in the air at times is even six times greater than that which can be tolerated, and the life of its inhabitants is very directly threatened. In such conditions, the responsible ministries in countries where everything functions normally seek emergency

sessions of the governments and parliaments, initiate rigorous measures for protection to the degree of evacuation of the ill, infants, and enfeebled old people, introduce mandatory control with strong authorizations, and so forth. However, our chief city, up until yesterday, did not have any legal control!! The ministry and its leader did not raise their voice, at least in warning. Fish in the Vardar, our great water resource, have died off two times, the last time from one of the most dangerous poisons, mercury, which not only eradicates flora and fauna but has a continued effect and makes the river dead. In normal conditions and systems, heaven and earth would be overturned, the guilty party would be found, and be judged and punished in Draconian fashion, publically and materially, without regard to who he is and what are his positions. In our case—silence.

The government considered the sale of public apartments to be one of the significant factors in stabilization, reckoning (and now records) on around \$300 million, either as a deducted foreign currency deposit, or in cash, and around 50,000 citizens finally would acquire their apartments as property. The ministry changed the existing defective law and put a new one into effect only 40 days after its leader took office, and at the time it was characterized as a phenomenal success that gave great hope that finally something had changed and that matters would move forward. Unfortunately, today this has been rendered completely valueless, together with the work that has been invested in it. The bureaucracy that operates within the framework of the ministry itself, and is its extended arm in the opstinas, complicated that which looked so simple to such a degree that today there is hardly one apartment that has been sold. People with black sleeves from behind the booths used everything that they could, literally everything, even the smallest lack of clarification and controversial situation, which could have been solved with a telephone conversation, to turn away the citizens, most often inconsiderately, not even trying to give them at least a brief, even ungracious explanation. All information that flowed from the ministry and from the minister they converted into disinformation. The entire blame for this falls on the highest office, that is what needs to be explained in his own court.

In the area of transportation, air transportation has been converted into a cancer—which may at any moment cause great casualties. Up to 130 aircraft in 24 hours fly along some obscure routes, all formed overnight, in this small area of ours. They do this at two airfields, the capacity of which does not allow for 30 takeoffs and landings, and that only by day, because they have no equipment for night operation, and that which they have left is outmoded and with almost miserable conditions for meeting and seeing off travelers and baggage. And, of course, the government earns almost nothing for all of this. There is no country in which the responsible ministry would tolerate such a situation for even two days. Of course, except ours.

Minister Antoni Pesev is a young and energetic man who does a lot and is in constant motion. We saw this for ourselves at several meetings with him and in our almost daily presence in the ministry. These positive features of his, if we judge by that which has happened in the areas in which his ministry has authority, are not sufficient. Obviously, an ability to organize matters that will not put up with any improvisations, lack of discipline, and sabotage, and where everything that goes beyond the standards will be rigorously punished, is needed. This is acquired in the course of working, only the problem is, taking account of the fact that the mistakes up to now are threatening vital functions of daily life, is it necessary to take the risk and wait?

Vojvodina

* Subotica's Ethnic Hungarian Mayor Interviewed

93CH0354A Budapest NEPSZABADSAG in Hungarian
21 Jan 93 p 7

[Article including interview with Jozsef Kasza, recently reelected mayor of Subotica, by Ildiko Arpasi in Subotica in January: "Subotica Does Not Want War"]

[Text] The recent election did not produce surprises in Szabadka [Subotica]. In the new body of representatives of the northernmost Serbian town, which is well known for being in the opposition, a coalition consisting of the Democratic Alliance of Vojvodina Hungarians [VMDK], the Democratic Community of Vojvodina Croats [VHDSZ—Hungarian acronym], the Popular Peasant Party [NPP—Hungarian acronym], and one independent candidate is in the majority: It obtained 46 of the 67 seats (34 VMDK representatives, 10 VHDSZ representatives, and one NPP representative were elected). The Serbian Socialist Party can only claim nine seats, 10 fewer than after the election in May. However, representatives of Seselj's Serbian Radical Party will take part in governing the city for the first time: Its representatives obtained three seats.

At the first meeting of the new body of representatives, the city assembly chairman was also elected. Jozsef Kasza, the previous mayor, earned the trust of the aldermen (and the citizens) again.

Szabadka produced renewed proof of its opposition at the recent election. We asked Jozsef Kasza, "How does the mayor of Szabadka assess the election results?"

[Kasza] Szabadka continues on the chosen path. It wants to further advance the process of democratization, which I think is very appropriate. This is the only way to go if we want to keep pace with Europe and the world. The election results reflect the balance of power in our environment. The Socialist Party has continually been losing ground since 1989, but one could not expect anything different in view of their activity and their attitude towards Szabadka's problems. They were constantly trying to create tension in their environment;

they were constantly looking for enemies instead of choosing peaceful coexistence and tolerance. With their votes, the citizens of Szabadka expressed their opinion of the party's activity. The VMDK and the VHDSZ maintained their earlier cooperation. Both of them advocate coexistence and peace, and both of them are active in improving conditions.

[Arpasi] How do you explain the fact that the Seselj party obtained three seats in the body of representatives in Szabadka?

[Kasza] Among Serbian voters, the Radical Party is on the rise in the whole country; it can gain ground because of the Socialist Party's decline. Szabadka is no exception in this regard. This process is present in our town as well, and it manifests itself unfortunately in this radical course. After the election, their Szabadka leader expressed his readiness to cooperate with us in order to preserve peace and develop the town, and if they keep their promise, I hope there will be no problem with the leadership, either.

[Arpasi] The Socialist Party attributed the election results to the victory of dark forces and dubbed Szabadka the town of hate.

[Kasza] It is clear to everyone what this means. They have to give some justification to their leaders for their ineptitude, their choice of a bad course. In order to keep their positions, they must react by fostering more hate. To all this I simply say, "My Lord, forgive them, for they know not what they are doing."

[Arpasi] What kind of a future can the city have when it remains compelled into opposition as a result of the election?

[Kasza] The fact that Szabadka is in the opposition does not have to result in a break-up with the organs of the republic or the federation. We want something different. We want to carry out improvement in a different way than the one imagined or realized by the party in power. First of all, we don't want war. I can say this proudly and boldly in the name of every citizen of Szabadka, or at least of 98 percent of them. The city must not leave this path in its own interests, and in the interests of its surroundings. Because if Szabadka leaves this path, it means war here, as well. For this reason, our primary goal continues to be the preservation of peace. Szabadka was an open city up to now, and it must remain open. Open to Europe, because it is in Europe, it belongs to Europe. But it is also open to Serbia, because it is in this republic. We must remain open to every well-meaning rapprochement, but wherever hostilities are instigated, wherever there is provocation, we must react. Szabadka has been in the opposition for the past four or five years already, and the local self-government was able to carry out its basic functions, even if only with difficulty. I believe this will continue to be possible. But we must go further. Even under the difficult circumstances of constantly increasing unemployment, extremely decreasing production, and diminishing income, we must prepare for tomorrow. We must make plans so tomorrow we can walk faster on the path of development. This is the framework in which the self-government will think and act. One must not stop development.

END OF

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